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LABOUR AND THE MONEYED MAN

GEORGE RADFORD



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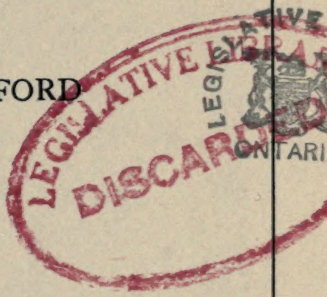
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Labour and the Moneyed Man

LABOUR AND THE MONEYED MAN

BY

GEORGE RADFORD



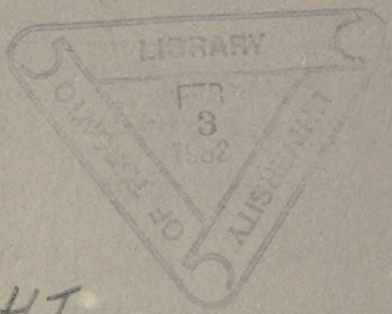
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HODDER AND STOUGHTON LTD.

TORONTO LONDON NEW YORK

ST. PAUL'S HOUSE WARWICK SQUARE E.C.4





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Printed in Great Britain by Hazell, Watson & Viney, Ld.,
London and Aylesbury.

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I *A Capital Levy, Banking and Finance*

One of the items of the Labour Party's policy is "an equitable system of conscription of accumulated wealth," and this expression is taken to mean that the country may be obliged to make a call upon capital instead of upon income when it comes to liquidate the huge debt that has been incurred through the war. There have been many objections raised to this policy, some to the effect merely that the time for such a procedure has not yet arrived; but there have been practically none raised against the principle if necessity arose for resorting to it. If I am correct in making this statement, I have obtained a sound basis for an argument that I wish to present to the people of this country. Mr. Bonar Law himself seemed to admit that, if all else failed, there was no objection in principle to the proposal that the State should make a levy upon capital. A state must take whatever may be necessary when its life and its financial integrity are at stake.

As I am not going to urge this policy, I may, with all the more confidence, ask that the principle should never be lost sight of. For my first deduction is a very mild one. If the State has a right to make a levy upon railway shares, upon water stock, upon Consols, or upon Exchequer

bonds, it surely has the right to issue such bonds or a loan, at the price of the day, when money is needed. When the State wants money, and can take it in the form which is handiest for its purpose, it surely has the right to have it at the market price? I am aware that to commandeer railway stock does not give a state munitions, nor food, nor khaki. But, as it can take all these things wherever it finds them ready to hand, I need not labour the question, for the moneyed man knows quite well that what is called a forced loan can be made, and that it is the simplest method of meeting the wants of a state at war. But I might just throw out the suggestion that, for states which are always on the verge of war as we have been, there would be a convenience to all concerned if, from the point of view of war itself, many of the fundamental assets of the people were nationalized. The thing called control is most inadequate.

Now, if the Chancellor of the Exchequer had decided, and the House of Commons had approved his decision, to levy, say, 25% of "the accumulated wealth" of the citizens, and had made all the companies and corporations set out in the Stock Exchange list, which includes those Government securities for which he was responsible, transfer to himself, as representing us all, the necessary scrip, he would have been provided with ample funds for a fairly long war. I have not tried to add up the capital represented by the sixteen pages of the official list, which I believe excludes some very interesting ventures in the provinces; but I am persuaded

that if the call had been made, and all the necessary allowances and deductions afterwards conceded, just as is done in income-tax returns, a very handsome sum of money would have been secured. Each holder would certainly have felt a financial twinge and pang, but the difficulty would have been over, and a very big fight with the Kaiser would have been financed once for all. I admit that the holders of this accumulated wealth would have obtained my sympathy, for I do not yet give my adhesion to this method of finance. But I want to remind every stockholder represented in this gigantic concourse of moneyed men that, though the Government did not carry out this drastic but effective measure, *it brought about the same loss to the above stockholders, if not indeed more, without obtaining by these operations a single penny piece from such stock for the State.*

You need not ask me what I mean, for your own list is before you, and you are aware that money upon the outbreak of war was worth 4%. In the present lists there is a little column next to the 2 o'clock quotations, which gives you details of what I am recording as the general truth. I wonder who put it there, and why? Begin at the beginning if you like with our old friend "$2\frac{1}{2}$% Consolidated Stock redeemable on or after April 5, 1923, at *Government option*." The lowest quotation for this stock which I have seen was 44, but looking at that other little column, "mean price July 27, 1914," you will see that the quotation then was $72\frac{1}{2}$. The loss, therefore, has been over 28, or more than 38%

of the pre-war price ! I need not ask why these stocks have gone down in this way : the reason is only too well known, and it is equally well known that Stock Exchange securities do not go down " owing to the war." Nothing is so indifferent to war and death and casualties as a Stock Exchange security. The secret of the fall is the simple fact that the State, when money was worth only 4%, promised 5%, and afterwards even higher rates for the money required. And I contend that—ignoring for the moment the grim fact that the citizen has had to pay these rates so much higher than was necessary in these times of stress—the Stock Exchange holders themselves are heavier losers under this system of roundabout depreciation than if the State had commandeered 25% of all the securities involved.

I think that the Labour Party will do well before it takes office to explore this disastrous method of finance which the State has grown accustomed to. We have to find out if we can why the Chancellor of the Exchequer allowed himself to be drawn into vast loans beginning at 5% instead of at 4%. He goes to the city, or perhaps a telephone call may be enough in a case which only concerns the taxpayer, consults someone and adopts his advice—advice which seems to conflict with every interest in the Empire, except the city's, i.e. the financier's own. The investments of the banks were many millions ; the insurance companies the same ; and the drop in the value of these investments carried away half their own money and reserves, not to speak of the securities of their depositors and

clients. One would have thought that the "someone" who represented banking liabilities of 1,000,000,000 at the time would have made an effort, even a kind of old régime effort, to save his colleagues in charge of our great institutions from the overwhelming anxieties which must have, or at least which ought to have, supervened.

I am told in the city that a 4% loan would not have failed if the city itself had agreed to take it up. The city, therefore, must accept a great deal of the responsibility, both for the drop in values and for the excessive cost to the country of the policy pursued. There are two reasons at least why the old régime ignored the wiser counsel of a 4% loan. The first is the instinct of self-preservation, for they would have perished once for all as a mere red-tape organization if the English investor had been threatened, while they were standing by, with financial conscription and patriotism. There must always be, in the city, something to tempt the latest cash, old investors must take their chance, not something to preserve credit and investments generally, and to help the State at the same time at the market price of the day. Besides, "we can put it all down to the war: the people will believe even that!"

The other reason is, that those who carry through purchases and sales have no personal interest in caring whether the price is fair or not, or whether the new loan depreciates earlier stocks. The ordinary broker can make as much on any commodity in a falling as in a rising market; and the ordinary speculator dreads

nothing but a steady, even financial outlook, such as it remains for labour to secure. The awful fact that the millions of money which represented the savings of the people, both rich and poor, should be subjected to so useless, unnecessary and mischievous an attack ought to open the eyes, even of the hardened speculator, to the extreme and unscrupulous measures to which " money " will resort to save its unholy privileges. That episode, which we need a Shakespeare to describe in its tragic-comedy, where the Chancellor of the Exchequer and some advisers in the city played the clown and villain parts, cost us as a people perhaps one-fourth of all our savings in quoted stocks, and 1–2% on all our borrowings for the war!

I may just say here that I do not affirm that 4% is the one and only rate that a state should ever pay. There would arise in wartime reasons outside the State itself which would affect the value of money. But on the other hand we have recent history to tell us that any unnecessary appreciation only launches us upon an endless and vicious circle in which the citizens as a body lose in every way.

But we may ask by what means the State could obtain the necessary money in an emergency such as we have passed through? We must keep in mind that the same interests or influences which recommended that first 5% loan might boycott one which gave no more than the market price of 4%. To me it is difficult to believe in this boycott when I recall the gulf that lay open before every bank and financial house

when the war thunderbolt fell. Remember that the first plank in their financial platform was payment in gold! Remember, too, those three days when gold was being turned into little paper notes! The State alone saved the financiers from ruin, and that salvation would have been more perfect under a 4% than under a 5% issue, for values would have been sustained. The responsibility, therefore, of the Chancellor was very great; but no one is too big to be a gull, and that must be his excuse. And all the city's evil as well as red-tape influences were let loose, and it would have been a poor "city" which could not make the country bleed a little when so unparalleled an opportunity occurred! The question in the future is to decide whether the State is prepared always to take the city view of things "lying down." The progress of the war showed us that if the country was to survive at all it must act for itself; and it has shown us also that it would have been much better if it had recognized this fact earlier, and kept it before its eyes longer. We must always make allowances; but it is evident that we could not have got along at all if we had not taken charge of the elementary activities of production and transport. Our chief difficulties have occurred in those cases where we have not been thorough enough in our nationalizing measures. In fact, we have not really nationalized at all; we have only played at doing so. One of the most important failures we have made in this respect is in not nationalizing banks, for we have thus lost the very control of finance which is of funda-

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mental necessity. Probably some 2,000,000,000 would by this time have been available for state use in the deposits which, year in, year out, lie in the banks. Whatever the average figures, which are of course always varying, but steadily increasing, there is no need to disguise the fact that in state hands a sum not far removed from one-third of our total war debt might be treated as a permanent loan, and the charges dealt with in ordinary banking business.

But the 4% loan being boycotted as above by the city, how do we go on? Each year, even if we had financed the first by nationalizing the banks, we have had to find £2,000,000,000 in some way. Where we have to use our natural mineral wealth, we may just dig it out. Coal-mining is a useful illustration of all such cases. No millionaire is credited with the capital value of the wealth upon which he draws royalties. The various companies that work the mines pay these royalties, and endeavour to earn for themselves certain profits after paying them and the wages and other expenses involved. The State, therefore, need saddle itself with no more than an annual payment for a certain limited number of years—the Labour Party, I hear, does not admit the legal claim at all—which the actuaries can work out upon a generous scheme. But in a life-and-death struggle such as we have passed through, both royalties and share capital must be paid in such form as the State may find most convenient, especially at a time when a financial boycott is on. We can have no begging and praying of the city to float a loan; if it will not

do it for the State itself, it shall not be asked to do it for the coal magnate. In such a case as this the only risk which a state could conceivably run would be the opposition of the miners themselves to state ownership and management. Here it is fortunate that the State is looked upon by labour as both a better and a more appropriate employer than private capital is, and one that inspires the worker with greater self-respect.

A similar statement may be made concerning railways and ships : Labour is the chief expense outside the metals, coal and timber that are required. A very large sum is raised by taxation, and this could even be increased by heavier taxes on wealth if wealth itself has to be fought by the People. But we must not run away with the idea that the city is wealth. It is only the red-tape method that has grown up for collecting together and dealing in wealth, or the credits which the State itself has made possible on these occasions. If the matter be looked into critically by those who have to get things done, mere finance does very little of the necessary work. But the rank and file is just as patriotic as is anyone else, and a one or two per cent. unnecessary charge for money, when the State is in danger and in need of it, is a libel on and an insult to that rank and file. It is a pity that such leaders of the moneyed man as we are discussing should set the pace. There have, therefore, been two marked characteristics in all branches of trade during the war, the one the exact opposite of the other. One class of mind has said, " The opportunity for riches must not

be lost ; now is the time." The other has said, " No ; share and share alike as far as we can." The members of the former class were in a fix, for on looking round they had to say : " Where is the 'gold'? If we ask for ours, others will ask it of us, and that old fantastic use we have made of it will injure us with the rest." So food was almost equally shared out like the manna of old. But gold was inadequate for anything ; it fell short of what was required, even in international exchange. And if the inadequacy of gold be really brought home to us, we shall learn more from its lack than we ever did from its plenty. While we were at war we could see more clearly the limitations of gold. To drive the *lira* to a serious discount when Italy had become the crucial danger point of the war was an obvious imbecility. And to ameliorate the exchange with Germany will not come into the minds of the fervid haters until perhaps too late. The Paish idea of an international loan was too good to be accepted. But fortunately some of our good citizens cannot be deterred from kindliness, even when gold has disappeared.

So the State determined to do without gold at home, but had not the courage to do without a 5% loan. If it had, and had determined to ignore bad advice in the city, it would have issued a 4% loan and then gone on doing business as if nothing were happening to cause anxiety. It would have been extremely interesting to observe exactly the results : how much 4% stock would have been taken up ; what advances at 4% would have been made for short

periods ; what large sum would have had to circulate in paper of all kinds. Special notes might have been issued which could be registered at any time and carry 4% interest from the date of registration ; and thus some of our moneyed men would have had to choose between 4% interest on their money or none.

The fact that there was a large sum of uninvested money about need not have troubled a really keen House of Commons. This money would not be currency in the ordinary sense, and limitations might easily have been placed upon its use for new commercial ventures and the like. In fact, uninvested money would save the State all the 4% which it was prepared to pay, and from 80,000,000 to 120,000,000 on the unnecessary rates of the 5% or 5¾% which we are considering. Queen Elizabeth gave no interest on the money she made the wealthy lend : she gave a few titles and many thanks.

The individual citizen has always had an uphill fight against the Lombard Street influence. The 2½% upon Post Office Savings indicates the usual attitude of high finance towards the humble investor. Who was responsible for the broadening of the basis of trustee investments without fixing a date for paying off Consols ? The one passage in Scripture in which money believes is the saying that to him that hath shall more be given : the rich must have everything at a lower rate. The new 4% boycotted loan, therefore, might have been specially adapted to the convenience of the poor but thrifty, as well as to the case of the patriotic rich. If the matter had

been put with vigour to the public, I am sure that the citizen would have sided with the State, and would have taken a peculiar pleasure in fighting a tyrannous financial ring.

Of course the leaders of the Labour Party might have intervened when there became inconvenience in handling the war with what might be considered a forced loan, and they might well have suggested that the time for the capital levy had arrived. I should not, of course, dissent as long as determination had been shown by the House of Commons to resist, in one way or another, the improper effort of the city to impose prices which were not justified upon the State at war. A capital levy is cheaper for everyone than a rate for a new loan which reduces all stocks in value to an enormous extent. Perhaps a combination of the two methods might have paid for the war more quickly still, for the small investor who bought the new fours would probably escape by his size from the levy on capital.

The Stock Exchange official list provides much food for thought. The quotations have no effect upon the world-scattered business, the results of whose efforts it records in a rough way. The list is merely a barometer, a gauge, a thing that tells the changes in height and depth, in heat or cold, in light and dark, in the struggling world. In this respect it is like the deadly movements of some automatic machine, without feeling itself, but registering the sighs and groans, the joys and pleasures, the labour, disappointments and despairs of all mankind. Its frontispiece,

so to speak, is the vast cost of war—in money only, mind. The claims of labour will one day be found registered in the results of the new wages rates : housing and water will appear in new county and corporation stocks : not food so much as the apparatus for growing and transporting it are there : and clothing in all its steps from soil to shop are reflected in its unrelenting pages. To Labour these sixteen pages unfold the vision of a world to be reconquered by the arms of peace ; and it may happen that the machine itself will take on a more human form. For here is indeed a picture of humanity at work. And yet the appraiser of it all is a vast machine without conscience or heart, dead to suffering as to joy, and capable of crushing what it seemed to caress. But the thing which should be always kept in mind in connexion with this vast list is the fact that however its recording machinery may move, it does nothing towards production to help us in this difficult world. The shares may pass from hand to hand ; but just as money performs this function of transfer from the poor to the rich, from the wideawake to the fool, from the scared to the plucky, from the dead to the living, it becomes useless for assisting new movements in the world. A transaction may, of course, release other money for active use, or it may repay a loan, but it is not itself productive when it merely buys old stock.

When Labour edits a new edition of this work, it will be to enter in its pages some fresh stocks. Land, bank, coal, railway, shipping and iron

debentures will replace a host of present quotations, and agriculture will appear under its various county signs.

To return: Could anyone estimate in the simple shape of dead cash the results of this disastrous error which we made in 1914 by playing into the hands of the moneyed man? If Government gives 5% for its loan, the commercial man at once gives 6%, and when it comes to 5¾% and 6% on State borrowings, we have to expect offers of 8% and even 10% from the company promoter. This purely financial result might be traced and estimated; but it would be very difficult to track down the devastation when written in our home and business life. If the movement were automatic and material only, just as the Stock Exchange quotation is, it would not so much matter; for the compensations would develop automatically too, perhaps. But we have only to consider the history of the last few years to satisfy ourselves that the action of the Government and of the financiers, who resorted to this "direct action" at the outset of war, veritably caused the fountains of the deep to be broken up. Strike upon strike, increase upon increase in prices, misery upon misery to the poor, and unemployment at the end, have supervened. To live at a 10% instead of at a 4% rate must mean untold suffering to England, for we cannot adopt American methods when all our vitality depends upon a system which is the exact opposite of that of the United States. We have no prairies, no cotton, and no sugar; comparatively little coal, and timber at present

for decorative purposes only. Tariffs to us mean death.

The floating of a loan is not, of course, everything, or the final end in this intensely interesting case. We might get our money at 4%, and yet spend it at 10% and 20% rates upon steamers and upon goods from the outside. We might let cotton soar to unnecessary heights, and let our wits go wool-gathering abroad, even while we held the citizens' cheap money in our hands. The moneyed man is not such a fool from his own point of view as to leave the holes for commodities unstopped, just because we had escaped once through the financial one. The difficulty was to find any place where he had not been first and cornered us when such an unparalleled opportunity occurred. But here I only want to make this point clear to the ordinary business man and citizen. If the State had not departed from the 4% rate, we should not have been offered commercial and industrial ventures at 9% and 10% instead of the old 4% and 5%, which satisfied everyone until prices were forced up. This new 9–10% plays havoc with old securities, and those people who, I admit, live upon savings or " by owning " a little, and had just enough in their old age to eke out an existence in modest honour and self-respect, have less than half enough for the same purpose, because in *commodities* they have been getting 4 where they used to get 9. The simple war pinch would not have brought about this result ; the war proved this throughout its course.

It may be that, taking the population as a set

of counters in this game of the moneyed man, the average person gets 9 where he used to get 4, and spends the 9 where he used to spend 4, just because he has had to do so to live and pay his taxes. But it will be found that while the machine of social life is revolving towards this even distribution, it causes a terrible amount of crushing of the social life that was unable to do the struggling well. Part of this life was in the trenches, fighting while the moneyed man pursued his usual characteristic toil ; some of this same life is now among the unemployed. The survival of the fittest is not accomplished by these methods. What survives is a mass of misery and want as a set-off to gluttony and profiteering ; of hatred and despair to balance pride and selfishness ; anarchy, chaos and bloodshed as the price of domineering rule and of capitalist government.

Perhaps the most striking instance of the indifference of high finance to the interests of the citizen other than the moneyed man is written in the story of the Victory and Funding Loans. The first 5% offer may be considered due to the automatic movement of finance in time of war : the later issue cannot be so explained. These loans were issued to yield a little under 5% in the former case, with a betting or roulette chance of more, and an exact 5% in the latter. The moral of this and a subsequent transaction seems to be only too clear. I believe that these loans were intended to be, and, in my own opinion, might have been, the last of the series of war issues. A very general and real effort was made

by all, by banks and their clients, by citizens of all kinds and classes, with one exception, to make this the final but adequate means of liquidating all outstanding debts of the Old Country. The citizen who held back was the moneyed man. I may here state that this method of issuing a loan and closing it may be very wise and convenient for people who have some industrial or other venture to sell, and must know the result within a limited time. For a Government issue such as these were, the closing of them before the amount required was obtained was not so much a puerile proceeding as an offence against the State. A large amount of money was held back simply because 5% was not considered enough ; and it would have required patience, energy and a trust in the people to refuse to be coerced by this second example of the " direct action " of the moneyed man. But we need none of us to be as experienced in these matters as the Treasury itself, to know that money can never be got together by the utmost exertion in a limited time such as this was. There will always be more trickling in, however much by the help of banking the citizen has forestalled the future. From every point of view, therefore, the final offer should have been the final offer, and the 5% rate should have been resolutely adhered to, if for no other reason than that the ordinary citizen, without the resources of the moneyed man, had staked all he could upon it.

Before I refer to the sequel, I should like to ask the city how much cash has been invested

in various undertakings since these lists were closed, cash which, but for this same sequel, might well have been invested in the State's last issues? The special war powers of the Government were not resigned, and the moneyed man might have been notified that the issue must be completed before company promoting could come to its own again. Could not anyone have been found to warn money that any advance beyond 5% would repeat the disastrous story of the original fives, and destroy the value of the Government's own recent issue, as well as the stocks recorded in the sixteen-page Stock Exchange list that I have spoken so freely about? There was a tautological deaf adder that stopped its ears. Is the moneyed man not only deaf but dead to every sense of decency and honour and honesty? The yield of the 5¾% issue was some 167,000,000! The almost immediate loss on its predecessors—the Victory and Funding Loans, not the entire capital involved in loss—was about 90,000,000; and thus, taking Government and citizens as one entity—the State—there was a balance of 77,000,000 to the good from the moneyed man and his friends! This represents 10% of the Victory and Funding Loans' subscriptions. Therefore, if for every ten pounds subscribed to these one more had been added, the country would have avoided the ignominy of this disastrous 5¾% loan. If the country had been told the truth at the time of the earlier loan, and the issue left open till the balance required had come in, that time would have been remarkably short, incredibly short

indeed, if the moneyed man's dealings had been held up until this debt was wiped out.

I have expressed some doubt as to the wisdom of the Labour Party's policy of a capital levy, and this doubt is due to the fear that such levy would play into the hands of the moneyed man. I believe that it would add to the riches of the rich, comparatively of course to their fellow citizens, and deduct from the savings, add to the financial anxieties, and interfere with the means of livelihood of the poorer members of the community in a way which no amount of rectification could compensate for. Much useful work is done in the world by the small capitalist who has to sail very near the wind in these days of competition, so that the slightest capital levy breeze would overset the craft. On the other hand, the capital levy would be just such an impost, once he had made his arrangements through some vast financial agency, as the moneyed man loves. If the State takes stock, and the chaos which supervenes in the market prevents the realization of them, I cannot see how the State gains by conscription more than it would by a stiff income-tax, an income-tax which would impede rather than assist the inroads of the wealthy financier upon his neighbour. If a millionaire has his money in stocks and the Government commandeers some of them, he becomes free with his remaining dividends, not to buy them back gradually, but to prey upon and devastate the savings of manufacture and commerce. Suppose a big cotton mill, e.g., is called upon to yield up a fourth of its capital—

ignoring for the moment the fact that many of these are co-operative undertakings whose shareholders are humble folk—this is what Mr. Pethick Lawrence says upon such a case :

" Where persons do not own any of the acceptable forms, it will be possible for them, either to exchange (by sale and purchase) some of the wealth they do possess with others who hold the required forms, or *to pay their levy by instalments spread over a number of years.*"

This puts the whole matter into a nutshell. The wealthy man can get quit of all his obligations, if he happens to be able to pay in "acceptable forms" or to find cash on the Stock Exchange, and is then free to use all the energies of finance to recoup himself for everything. Vast sums are locked up in industrial undertakings which are of a beneficent character, and the introduction of the moneyed man to finance them would be almost unbearable. Were the State through its own bank to intervene, the case would be better. But is a capital levy payable by instalments better than a good income-tax, after all? We have got the income-tax machinery into good working order, and it only remains to decide how far the accumulations of the unbridled moneyed man are to be allowed to go. And this alert individual—we have seen that he has no pity for the State—will probably object to such a *pis aller* as instalments, and will work out a scheme by which the less profitable and up-to-date undertakings will reach the Government freely as a sort of capital levy on the whole

industry—a fine satire upon nationalization itself! But the moneyed man at his best will do this, after the capital levy has been introduced: he will put nearly all his eggs into one basket, the stock which the present Government or its like will be sure to issue *free of income-tax and the capital levy*; and then at last he will be able to look down upon the struggles of the poor State with equanimity.[1] Every levy upon capital—except under the circumstances of such a boycott as that to which I have referred—must emphasize this improper result, this situation in which the moneyed man, accepting the tempting but unfair offers of the Treasury, has bargained all his responsibilities away. Of course he will keep enough cash free to pick up things as before from those who are in distress.

I have spoken so often upon banking as a highly burnished machine performing national work in a remarkably effective manner, that no one will misunderstand me when I say now that from the larger social and national standpoint this instrument has arrived at a position which is like that final scene in the rake's progress of money which must inevitably lead to the death of the present system. It is not my business here to describe that progress through the

[1] It has been stated that the great officials see no difficulty in carrying out a capital levy. It would, therefore, be intensely interesting to me to learn how the common commercial man would fare, who has some capital used up to the hilt with full banking accommodation to import all sorts of goods and distribute both foreign and home produce. Are our activities to shrink, or is the merchant to pay his toll to the moneyed man upon his lack of capital abstracted by the State?

centuries, and to make an agonized appeal for justice to those who have suffered from the relentless activities of the moneyed man through those long, weary times. The astounding pretensions of those who had the power and the wealth towards those who had not are still visible, and give us a shrewd idea of the contempt with which the moneyed man would view the appeal of penury for some small comfort in life. The student of our social outlook, therefore, cannot possibly avoid considering this vast financial and commercial instrument in the light of the general character and methods of the moneyed man, and must be convinced by evidence far different from that of history if he is to believe that money and its devotees have become new creatures in this final stage of their career. The moneyed man would be the first to deny that any change in himself has taken place. He is proud of his principles, and actually connects the country's success, such as it has been, with his own activities; the idea that success might have been greater under wiser and more generous financial management could not enter a head such as his. Whatever has been, he thinks, was best.

In our common speech and habit of mind, we almost beg the question of finance. We talk of the eternal conflict between Capital and Labour as if it were situate in the nature of things. But by such talk we almost give the position away, for we are so foolish as to put a dead thing called capital into antagonism with humanity in the form of labour, and forget that nature

itself, in whatever form it has appeared, has never beaten man yet. The antithesis between master and man has a little more life in it, and a century ago, if not later, the expression was used in actual documents. To-day he would be a foolhardy politician who dared to produce a policy which used such an expression as that in its working out. The citizen has equal rights at the ballot-box, and claims a theoretical equality of status, and the new rich in the House of Lords appear to confirm that claim ; money's chief national responsibility and rights are connected with the income-tax. Parliament can deal with finance and banking as it seems best to the representatives sent up by the various ballot-boxes of the State.

I say, therefore, without further preliminaries, that banking should be made by Parliament into a state function. In its primary use it is clearly as fundamental a state activity as is the coining of money itself. The clearing of cheques is a process which should be just as simple and as automatic as is the delivery of letters ; and no good reason can be shown for endowing the moneyed man in any of his multifarious capacities with a lien on this activity. If the State issues gold, silver and copper coins, and notes of all denominations, for the convenience of those who wish to barter such emblems for a piece of furniture, a bottle of hock, or a cabbage, it is the natural agency for extending this convenience to cheques, drafts, acceptances and such media of commerce. The use of a cheque is to tell a certain person in a bank to pay out of funds in

that bank the sum named in the cheque. With a cheque there is no necessity to convey coin about and divide it into its separate amounts —each of which requires careful counting, and indeed testing when illicit coinage is about—to carry through the work of social and industrial life. The convenience of such a system is not only obvious, but has been so long proved by experience that I need not labour the point. In a certain sense cheques express more truly and exactly the operations of purchase and sale than coins do ; for they eliminate the false value of these tokens, and keep before us the realities in which we are dealing, whether services, food or goods of all kinds. The moneyed man desires us to emphasize the value of gold and its use, but we may take it for granted that if he does so it is to serve his own purposes, not ours. Keeping before us, then, this mere exchange of service and commodity, without bringing in at the moment the financial stability of the parties, the State, as I have said, is the natural agent to look to for this clearing of cheques day by day. The activity is one, and, properly, indivisible. Each day's transactions balance each other in a beautiful perfection which is to a certain extent spoiled by the introduction of a multitude of agents. Just as the banknote is one and the gold sovereign is one, the national cheque for the mere purpose of commercial settlements ought to be one also.

The promissory note or acceptance is of a similar type. The paper itself is but a universal Government stamp. It differs from the cheque,

as a general rule, in the fact that it is post-dated —though a cheque may be post-dated too—and a good deal of water runs under London Bridge while it is in being as a financial entity. The promissory note is the one fact in business which might cause discussion between the comparative convenience of public and private banking. But in my own humble opinion this makes the question one which ought to be faced in justice to the people as a whole. If a private bank lends money upon an acceptance without security of some kind, it runs a risk which has sometimes led to severe financial embarrassment and loss, as is proved by the history of banking. As a matter of fact, banks usually take care that security of some kind is forthcoming before lending money on an acceptance. And the question is whether the Civil Servant, the properly authorized manager for the State, is a worse or a better person to whom to entrust this question of security and character than the same person under the garb of manager for a joint-stock bank? The superiority of the State to any other agency, in the matter of fraud on the part of officials in the bank, is just as definite as it is in the case of trusteeships.

Those who are so good as to listen to me on this subject of banking and national finance will, I am sure, acquit me of attempting to deal with money-lending or pawnbroking as it is understood in the sense of providing temporary succour to the destitute or to the reckless in one of those forms of "accommodation" which has no name in the ordinary transactions of commerce. I

might just as well try to do away with charity or doles, which will, in the moneyed man's sense, fall into disrepute when the better social system is founded. And therefore I do not know that a state bank could prevent a certain class of bill discounting outside its own counters. But I merely claim here that if such bill-discounting should be found to be a legitimate convenience to trade, or even to those in temporary difficulties, the State cannot be satisfied with its own performances until it has met that legitimate demand by some organized effort. And one good state office, technically reserved for such special needs in the country, must in the end become more fully conversant with those needs, and better able to meet them in a fair and reasonable way, than ten thousand different houses where profit, rather than social welfare and financial education, is the ruling spirit.

In a short space, then, I should like to try to make a few points clear. The first is that which I have referred to before—namely, that the State is the only organization that can carry through all the ultimate operations with safety. I do not mean merely that it would avoid the transactions which have destroyed certain banks and banking institutions, or that it would pool the risks of big and little houses, and thus escape those catastrophes which have overtaken at times good, honest, useful concerns. I mean, that nothing but the State could have saved our best and richest corporations from disaster when our recent war thunderbolt fell. And I argue, first, that he that has to pay the piper has the

right to call the tune ; and, secondly, that if we want to be prepared for the problems of both peace and war in the future, we must have one state bank. I need not waste time in discussing even a *primus inter pares* suggestion ; if we nationalized the Bank of England by itself, I for one would not stake a shilling upon its long life.

The banks as at present working represent the financial activities of these islands in the first instance ; and from that point of view are doing the business of the People as far and as well as it can be done under the limited management of individualist concerns. These are really doing national work under the feeble light of moneyed-man wisdom, and are paying fair dividends upon their uncalled, as well as on their called-up, capital. But their uncalled capital would have been a drop in the bucket if it had been paid in, even in gold, when war came. According to the moneyed man's own theory, all the depositors and creditors of the banks should have been paid in gold ; the State stopped all that, and so arranged matters that no bank shareholder seems to have been a penny the worse for the shock. I am not attacking banks ; I am only asking that we should learn the lessons of the war, and make up our minds that there is no safety in this expensive and at least contracted method of allowing a few moneyed men to carry out the purely national work that the People require.

I will next repeat what I have already drawn attention to, that in the automatic action of

banking and clearances there is always lying in the banks money of the citizens to the extent of 2,000,000,000 or 3,000,000,000 pounds. No one can dispute the fact or deny that such a national deposit in state hands would simplify the national borrowing enormously in ordinary years, and reduce our present war loans by a large percentage of their total. And the moneyed man must please note, or prove me to be wrong, that if he wants to be continually at war, or even to undertake something new of the type of our recent experience, he must push the nationalizing of the banks for all that he is worth ; for it is the only means by which he can afford to dictate even to Greece herself.

Let me spend a few lines upon this subject of preparedness for war. The moneyed man's much loved phrase is " In order for peace, be prepared for war." But if I show him that the nationalization of banks, of land and agriculture, of mines and transport, would all make us better prepared for war, he is filled with contempt and adduces the thing called control as the *reductio ad absurdum* of the proposition. I admit readily that control is both expensive and inefficient, and has very little connexion with true nationalization. But no one can deny that this expensive and inefficient substitute for the real thing was a necessity in the war. Therefore, if we are to be prepared for war, it surely follows that we must exert this control in peace-time in such a way that it becomes both inexpensive and efficient. Now, inexpensive and efficient control is only another name for nationalization.

Am I making too big a claim if I ask that the smallest citizen who can find a use for a cheque, or even that still smaller one who can do no more with finance than pay into the Post Office Savings Bank, should be protected from the moneyed man? There are a few things which, if left in individual hands, must tend to retard progress in the sense of keeping those down who are down, and keeping back those who might, but for the impediments of individualist civilization, be of much greater service to the State than they are. Now, the progress of banking in the public sense has been backward; the centralizing that has been going on has removed the true diffusion of accommodation which is imperative to true progress. The banks are merely doing what any of us would do if we were let loose as individuals upon our compatriots, to secure a good, safe living out of the use of a little money. They take the line of least resistance; they secure the paying accounts and free themselves from the troublesome and dangerous cases as far as they can. The troublesome and dangerous case in the country is obviously that of the man who grows wheat in competition with Canada and the States, of the company which tries to give transport facilities to our country districts, and, generally, of all those citizens who are trying to make this home of ours a really comfortable place for all. The millionaire is not the best customer of the bank; he knows too much. But the millions are at present worse customers still, because from the nature of the case the whole scheme which the

millions present is one which no banking fraternity could carry out unless it federated with all the landlords, and all the mine-owners, and all the transport companies in the State.

Banking lies at the root of a few other questions, and can only flourish as it ought when it co-operates with them as a state function towards national success. "'But take this smiling country as it stands. Think of the laws appertaining to real property; to leasehold, freehold and copyhold estate; think,' said Mr. Snitchey, with such great emotion that he actually smacked his lips, 'of the complicated laws relating to title and proof of title, with all the contradictory precedents and numerous Acts of Parliament connected with them; think of the infinite number of ingenious and interminable Chancery suits to which this pleasant prospect may give rise; and acknowledge, Dr. Jeddler, that there is a green spot in the scheme about us!'"

If Dr. Jeddler had been a banker he would not have smacked his lips, for the banker does not want a lot of mouldy deeds lying in his safe. He prefers for his own security good national stocks, whether railway, mining or land, which can be sold any day upon the Stock Exchange. On the other hand, the worker of the land wants very little banking, but he asks for prompt delivery of his goods, pure seeds and true fertilizers in exchange for these goods from the agricultural depot. But the banker will recognize that once the land is tilled to its full power of production, and the produce is treated in the most perfect methods and marketed with skill,

a flow of money into the country will be set up, and the things which can be bought for money will follow. In fact, the "turnover" of the national bank will be, perhaps, ten times in the distant parishes what it has ever been yet. If national banking can be made a boon even to a distant agricultural parish, does it not follow that it can be made a boon everywhere in our busy State? The subject belongs primarily to farming, and might be postponed until that subject is taken up in due course. But there are so many details involved in that great question, that I will consider the problem of banking here.

If the land were nationalized, the first result would be that the moneyed man could not outbid the farmer who was working it and become a landlord, to the detriment of the man who was working it and to the State's loss. Do the citizens ever consider this case? An area of land is on sale; some old baronial house decides to withdraw and leave things to the working of the ordinary moneyed contest. There are, as a rule, two bidders or classes of bidders, the new rich and the old farmer. Both have banks, and consult them as a matter of course; under the new system the two banks are probably one. The rich man, however, consults the manager as a mere matter of form, or gossip, as he will not want to borrow. The farmer does it as a matter almost of life and death. I take these as typical cases, not as special ones where influence affects the result and the farmer is advised to submit, and advice is an order. He gets promises of support for the deposit and a loan when the

deeds are available, and goes boldly to the auction. But he goes also with the full and anxious knowledge of the risks which are attending his own home farm which he may have watched like his firstborn for years. He knows what can be got out of the acres, and, as a business man, is obliged to stop at a certain price; indeed, he may have promised his banker to do so. The rich man cares nothing about the land and its yield. He likes the situation, the trees and streams, the game and fish. He has made no promise to the banker, and he gets the land. And now when he has got it he prefers it in as wild a state as he can keep it in. The tenant whom he has outbid will get no help from him to produce more of the best things.

Such a case as this is by no means the worst. I know enough of actual facts to say that it is a common thing for a moneyed type of farmer to buy the land from under the feet of another and better agriculturist and *turn him out*, because he has a way of using land to his own profit, but to the detriment of the State. The House of Commons seems to think that it can legislate such a man into a condition of usefulness. I venture respectfully to state that it cannot do so. Such a man will beat both Lords and Commons in the moneyed contest, and I sincerely trust that Parliament will legislate true agriculturists on to the land and save our acres from the moneyed man. It can do this most quickly and most effectually by taking over the freehold of the whole country by nationalization.

This is not the place to elaborate the effect of

such action, as it concerns the actual movement of agriculture itself. But what a revolution in banking would come to pass if the two institutions were dealt with at the same time! There would then be no outbidding allowed, even to our latest millionaire. He would have to show good national reasons before being allowed to interfere with the rotations of a single acre. The banker would ask for no deeds, because there would be no deeds. All such securities would be transmuted into land stock, and all the land stock in the country in one hand would not be allowed to defile the complete art of farming. The true agriculturist would breathe again, and apply his energies to the carrying out, and the progressive improvement, of all cultural activities. But the banker is degraded when he is turned into the mere tool of the moneyed man. The childish efforts of the landed interest to provide " banking facilities " to the poor farmer in the form of credit banks, the almost equally puerile effects of co-operation, so-called, in the same direction, are enough to make the moneyed man himself smile. Even the Cockney will admit that if farming is to be a success the small, poor farmer needs the best sires for his stock, the best implements for his fields, the best seeds and manures, and the best markets, just as the rich man does. Farmer and banker together can make nothing of England under the present dominion of the moneyed man. It is, indeed, true that efforts are made to persuade us all that what the land needs is money. Gold and promissory notes might do very well if we could have them free

from the agency of the moneyed man. But give the ordinary individualist farmer a good bank balance to draw upon, and he will promptly purchase all the ineffective seeds and fertilizers that are on the market ; lock a good deal of capital up in machines that are capable of working ten times his acreage ; make transport and marketing arrangements that would amply suffice for a parish ; and spend the remainder upon stock that will be like fish out of water as long as his neighbours are struggling along in the old way. The cash would soon be gone.

The proper place for the bank and its branches is the agricultural depot and sub-depots in each district. But it will scarcely be necessary to use banking in the daily routine of the farmer, for the depot will supply the actual goods which he may require, and will set the debits off against the produce which will reach headquarters in a steady stream. Banking will first appear when the depot sends its periodical cheque, and out of that the farmer has to procure his household requirements and make some good investments against a rainy day or old age.

If I have made myself clear in this slight sketch of what I have set out fully elsewhere, it will be obvious to the reader that the turnover of the bank will be affected in this way. If isolated purchases from the outside have been previously made by some of the farmers for machinery, seeds, fertilizers and stock, none of which can be economically purchased by the individual, nor economically used by him, these purchases might conceivably be adequate for the whole district.

For it must be remembered that the depot supplies knowledge as well as goods, and experienced guidance as well as machines. It would not surprise me, therefore, if in some of our most perfectly managed districts the present turnover upon outside purchases were sufficient to bring about complete production. In other words, our areas need management, not money. If so it requires little skill to foresee the gradually increasing volume of wealth which will be yielded by our farms, even in competition with Free Trade in all its forms. And this beneficent influence will bring into the valleys all those other goods, at the lowest world prices, which help to make life so much more healthful as well as agreeable. I need not say that we shall not want gold in any of those valleys : we shall want tea, coffee, cocoa in all its forms, and that multitude of products that free trade has brought into our lives. We shall want sugar until we grow the sugar beet ourselves. We shall not need, however, butter from Denmark, eggs from Russia, or cheese, except as a variety from time to time in exchange for some of our select kinds. But banking and its evil genius, gold, will have to stand aside, and I have never hidden even from myself the serious nature of such a suggestion. Indeed, I admit that I want the State to be master and banking the mere man. In broader Doric—I want the dog to wag the tail, not the tail the dog. The thoughtful citizen will, I trust, begin to look upon the subjects which I have enumerated in the light of the interest of the State as a whole. When a trade organization

becomes of such a character that every citizen is interested in it, and is affected by it, it seems reasonable that the State should manage it in some form. It has been usual to manage it in a rough sort of way by legislative interference, such state action being due to outrages upon our sense of public right. And everyone will bear me out, I am sure, in my contention that it is far better to arrange to do a thing well than to forbid people to do it badly. I am told by the moneyed man that the State cannot manage things well because every citizen is a thief and malingerer, and that nothing but the victory of the rich over the poor, and the servitude of that poor, will enable us to get things done well. This is a fairly cool statement for the moneyed man to make, because if there is one thing more certain than another in this world, it is that he himself would claim to be the best man for a state job, if one were going. I think that the State can get better managers, however, than he is by simply employing the managers that he employs. Be that as it may, a state would be a poor, decadent thing if it could not, by the use of time and education, develop managers more perfect than the world has yet seen. The very best men are indifferent to money, and the very best state takes care that they are not allowed to have anxieties about this necessary thing. I propose to refer to this important problem upon a later page.

The State manager-in-chief, then, of its bank will have to be a greater man than any political Chancellor of the Exchequer. His first act will

be to put gold into its proper place. It ought to have nothing but a convenient and ornamental use in the home concerns in any country in the world : it is a pleasant item in a currency. In the meantime, until we have established some better method of estimating exchange, it must be used as a test of fairness in international dealings, but it wants careful watching even there. But here at home it is a mere stalking horse for the machinations of the moneyed man. He uses it to persecute others ; and then when he is asked to produce it on the outbreak of war, he runs whining to the State for protection from his own principles. It is, therefore, clear that all gold-fields in the Empire ought to be taken over by the State, either in its imperial or local form. We have then, in state hands, one at least of the commodities which can be used abroad to bargain with. But coal is the better asset of the two.

If nationalization of the primary things in a state is to take place, it is imperative that the plea for it should be limited to those fundamentals. The State cannot afford to risk the success of these by listening to vague generalities upon nationalization. The chief consideration in all national undertakings is the opportunity given to the individual by them. When these are running satisfactorily, it will be easy for the ordinary citizen to compare the vast volume of the nation's activities with the few prime services, and reassure himself that he will not only have his own place and work left to him, but that his opportunities will be increased. The mines and railways, the land and agriculture,

banking and the public-house, all employ vast numbers, the whole of whom will retain their posts, with added benefits, if they so desire. The moneyed citizens who may be displaced as shareholders will find safer if not more lucrative investments. It will be most important to deal generously with those owners who may have to be bought out.

But it is impossible to exaggerate the benefits which will be obtained by the citizens as a whole. I must postpone the consideration of the land and its buildings, but no one can compare the fine, best-managed farms in the Kingdom with that average, nondescript tenure which makes up the majority, and that neglected remainder which adds up to a large total, to gain some idea of what national agriculture could be made. The average farming will be equal to the present best, but to this will be added all the benefits of economic purchase and perfect marketing. Again, no one can examine the present condition of mining and compare it with what could be done there, and be indifferent to the vast opportunities which state mines would give to almost every industry and home in the country. For coal alone contains untold riches within itself. A national scheme of transport is equivalent to new life to the people generally, but its management must be inspired by the idea of usefulness and service first. And houses as homes and as places of refreshment, rest and change, conditional by our other nationalized wealth and activities, will be realities of peace.

And yet none of these things can conveniently

come to birth, or do their most valuable and useful work, without that simple change in our arrangements which would bring banking into every phase of our life. Let me try to give a short summary of what we should owe to efficient state banking and finance. In the first place we should secure that regularity or evenness in the price of money which at present is lacking ; that lack causing us to suffer so much at the hands of the moneyed man. No one suffers from this uncertainty in price at the banks more than the ordinary worker, although his case is never so much as considered there. The astounding gymnastics which I discussed earlier, in the case of Government issues under moneyed advice, lead to rises in bank and other interests which sometimes become double the necessary rate. The fashions, so to speak, in banking facilities, which the moneyed man, for his own purposes, sets and changes, make commerce and industry mere betting gambles ; and the population suffers in one case from the price of commodities, and in the other from maddening fluctuations in the value of wages. The fixed salary and the ever-rising price form a conjunction of ill-omen only surpassed in suffering by the cessation of some industries and the spread of unemployment.

Next to the actual control of finance which might be secured by a state which did its own banking, we come to the machinery which such bank affords for the nationalizing of the fundamental wealth and activities of the people. Land stock, housing and town bonds, coal and other mining debentures, railway shares and

county agricultural loans, would replace and simplify all those securities, disliked by everyone, except perhaps the lawyers, which now interfere with every activity in the State. We are not going to injure even the lawyer if he will adapt himself; his intellect is almost as necessary to us as are the banks. But at present he represents that mouldiness and inertia which attack almost everything that acquires age by mere existence. The fine old port of land tenure can still be obtained by families who make it their pride to serve the State in the old spot. Primogeniture will lose all its defects under the new régime. But at present the tiniest purchase of land may necessitate deeds and the recital of them, the mere index to which will require many folios to set out. If I want to straighten a fence by amicable arrangement with my neighbour, the cost is greater than that of a four-acre field. And so it is throughout, and our Mr. Snitcheys may well smack their lips. The law is unquestionably an ass; but it has been a useful animal while we were without the truer and simpler security of nationalization. And look how this mouldiness affects the rising aspirations of the worker. Could any surprise have been greater, any inconvenience more substantial even to Parliament itself, than those created by the decisions given in the Taff Vale and Osborne cases? The judges have to announce what the law is as it stands. If, therefore, a decision amounts to a *reductio ad absurdum*, all we can do is to take the hint.

Something equivalent to a Domesday or Rate

Book will take the place, with much benefit to us all, of the old system with regard to the land. Banking will not be troubled with the old deeds, nor hampered by the unsaleableness of their character. In fact, the man who owns the land will disappear and be replaced by the worker on it, whether he be the old landlord or not, and his savings cannot be invested by adding field to field; they will necessarily be put into more liquid securities such as the banker loves. And the landowner cannot reappear under any guise. The best point about national property is that no one can secure it for himself permanently by any means or for any purpose at all. If the market in land stock were cornered and all came into one hand, it would make no difference to the proprietorship of the land or to its management. But land has always been troublesome to tax, whereas the stock would be most convenient for the purpose, and it would lend itself well to a capital levy if Labour found it necessary to levy one. And it is, perhaps, unnecessary to say that the full value must be got out of the land, more and more as time goes on, in its food produce chiefly, of all kinds. The country seat idea for the millionaire from all parts of the world, "promptly received as prodigally brought," is one which cannot be entertained. If a distribution be conceded, unequal by the undoubted will of the People, it must be limited to the actual and temporary working of the land, and to those imperial calls upon us which eminent servants of the State may have.

The free trader is inclined to act as if he said :

"I can give you eggs and the like into those upper reaches of the valleys so cheap that it is useless for you to do anything to the land in order to bring produce out of it. Leave it to me: I will bring you higher rents for the desolate reaches from those who have made fortunes in manufacture or trade than if you had worked them to perfection." Will the citizen of England submit to this travesty of Free Trade, or will he insist upon making this little island the best that can be made? If he agrees with me, he will admit that nationalization must come. Banking, then, is the clearing-house of all these things. The land is the first and most fundamental, for we cannot eat either coal or iron, neither can we live in mines. But from the point of view of riches, these underground strata are of imperial value. They represent the things we have to sell. But if in their raw state they did no more than this, we should not be very rich even if we robbed the future and sold to some ring of foreigners the whole deposit, and went off to Monte Carlo to play cards. These riches should be preserved with care, and made the basis, not only of our present manufacturing energies, but of a large number of new ones. We have them at hand; we do not need to send across the world for them, as we have to do for cotton and much other raw material. Iron we do use our wits and thews upon; but, alas! in the case of coal we neglect its real value for the nimble ninepence which comes to us from its export. When we have paid the present owners out we can begin to work, and the bank will turn over

sums enormously larger in this commodity and its products than we have seen yet.

The railway is the simplest commercial transfer of the whole of these national undertakings. The effect upon the bank may possibly be negligible, except that to its managers one good state railway share will be very much more convenient than the present numberless securities. In fact, the railway has become a rather doubtful figure in the moneyed man's finance, and from many aspects he would welcome the interposition of the State. Smaller dividends but greater conveniences should be the policy pursued.

County agricultural loans would, I think, be required only for comparatively small amounts and for short periods. Eggs and butter, milk and cheese, fowls, sheep and oxen, bring in prompt cash, and would pay the outgoings if we give the counties a month's start. The depots would be financed under the ordinary housing scheme ; and the machinery of farming can be used as it stands until new purchases are required. For it must not be overlooked that much of it is rusting, not wearing, away.

Whatever may be the details, here we have banking as the great book-keeping and auditing machinery for national work. And yet in the great volume of the country's banking, the State's own work would be but one good account under the necessary heads. All labour involved in these things would be better paid—the moneyed man does not like this—all interests better served, all risks, as far as they can be met by

human means, removed. A state bank is the first need of a reformed community.

The whole theory of the moneyed man is wrong, and should be discussed by every citizen in the State. The present idea is that the thrifty man is one who collects a little money, and immediately seizes the small financial eminence gained to injure, not to benefit, his neighbour. By the adroit use of the little he obtains more money and a greater power for mischief, until the evil rises to such proportions that the citizen's life becomes slavery again under another name.

I hope, therefore, that the Labour Party will ultimately decide to concentrate upon a policy of financial and income-tax reform, rather than upon that of a capital levy. I have tried to show, what others will explain better when they apply their greater knowledge and experience to the task, that the capital levy is calculated to strengthen rather than weaken the grasp which the moneyed man has upon the throat of the People as a whole. A drastic change in some of the prime instruments of the capitalist will incidentally remove anxieties even from the mind of the capitalist himself, and divert his energies into better channels. Subject to the one annual anxiety as to crops of all kinds, state activity, reducing that anxiety also, will place our fundamental economic and social functions upon a more regular basis, and will give every consumer down to the poorest a much more secure outlook. Our investments, even, will be safer, for, besides the security of the State itself, we shall have that long-needed reform of short, or

at least definite, periods, and continuous issues of State loans. Upon a basis such as this the more carefully graduated income-tax should produce most beneficent results. I must not attempt to track those results through the liquidation of all our indebtedness to that time when there will be no stock for a citizen to buy, and trustees have to look vainly for an investment. Let me remind the then still-flourishing moneyed man of his old opportunity, of his old threat, to take his cash elsewhere. The world will still be in need of development ; the arts of peace will not be thoroughly established even then. To make the moneyed man a benefactor to the whole race, because there is no other fate reserved for him but this, will be a glorious revenge. So to that splendid heritage let us lead him, by the simple process of curbing his excesses now.

Of our new world one of the first needs will be adequate insurance. This subject is continually meeting the eyes of the newspaper reader, and often in the form of a jeremiad against what is called stamp-licking. If these people do not approve of the form of insurance introduced by the present Prime Minister, why do they not become members of the Scottish Widows' Fund, of the Old Equitable, or the like ? " If they cannot get bread, why do they not eat cake ? "

I was so fortunate as to become a member of the Scottish Widows early in life, and the results have been extremely beneficent. Everyone dies later than had been calculated on, the expenses are reduced to a minimum, the funds are invested as no others have ever been, and the

bonuses are unexampled. If you are short of money you can get a loan on your policy at the cheapest rate, which is not revised, as a bank would have to revise it, just at the wrong time. Now, the Scottish Widows does not date back as far as Flodden, though its title recalls the Flowers of the Forest ; but its initiation was due to a similar cause—the Flowers of the Forest were a' wede away. And yet the beneficent results are not confined to Scotland. Here am I, who came from those who had to shoot arrows at Flodden against those Flowers, one whose ancestors " by guile wan the day," taking the same benefits as the Scottish widows themselves. And annually I get the same report as the others do, " full o' liltin' as at our ewe milkin' " —full of satisfactory financial things.

But there is something—shall I call it an unctuous self-congratulation ?—in our annual feasts, that has for a long time made me pause and given me pain. These " carefully selected " lives, these results better than the actuarial prophecies, these low expenses and big bonuses ; are these for us alone ? What about that useful but ailing secretary, that tuberculous chemist sent from the Fleet to die ? Are the very men who need the backing of insurance to go through life a prey to anxiety ? Lift that anxiety and in some cases you may save the life. Are we to chuckle over their unhappy fate compared to ours year after year ? " Bless me, even me also ! " surely we hear the rejected cry. Co-operation might catch the sound, and might give 10%, the agent's commission, towards the sickly

members ; but co-operation would be out to secure the 10% for its healthy members too. Has the State yet heard the cry of the dying and the dead ? It is listening to the ailing with more attention now.

One of my unsatisfied ambitions for some time has been to take all my fellow-members in the Scottish Widows—they would make a goodly show, a very pageant—all the wise staff, and the directors, ordinary and extraordinary both, to some fine kirk in Edinburgh to hear one of our great divines preach upon our marvellous thrift. I propose to take the text for him myself the first time—the following annual texts may be chosen in the usual way—because it is quite time that the one I should choose should be exposed and explained away. Large sums have been expended upon colleges and the training of professors, and the cream of brain-power has been skimmed off for the Church ; so the least we can expect is a discourse full of ingenuity and wit to make the difficult texts fit in with received morality. The words I want explained away are these, and it is quite time that we were freed from their incubus : " *Ye that are strong ought to bear the infirmities of the weak, and not to please yourselves.*"

While we are settling into our pews, let us look at insurance in another of its phases. The Friendly Society—what a charming name ! There " the provision " is of a somewhat meagre kind, and there are two points connected with the obtaining even of that at which I must glance. I have referred to

expenses above, and these have a very serious bearing upon results. The cost of obtaining new business is an all-important factor in the success or failure of insurance as a whole. For, in the ordinary commercial insurance that I am now looking at, what the companies do is just to save my money for me, my annual premiums, and pay them back to me, or to my executors, at death. After the first premium has been paid, it is for me to find the means of getting subsequent premiums into the hands of the society ; if I cause a large amount of unnecessary expenditure in collecting, I am injuring my own chance of good finanical results. But the very basis of most of the popular societies is the periodical visit of the agent to collect, and it is self-evident that an agent, even though his salary and commission might result in a sweated or starvation income, might yet carry away a very large proportion of the premiums collected. In the big commercial offices the two solutions of the problem of small expenses are fairly well balanced. Those that pay no commission get less business and therefore less profit, and I fear that it generally happens that the big turnover with commission out-balances the advantage of no commission. For we must remember that a substantial amount of insurance business is connected with the giving of security, and those who have to carry their operations through are professional people to whom an insurance commission is of importance. How can anyone in justice expect the business to go to a non-commission office? In addition, however, to

the drawback of necessarily high expenses in the small insurances which we are considering, there is another very great blot upon it. A large number of insurers begin the financial structure and are not able to finish it. The payments are, of course, effective against death while they are running, but unless the instalments are kept up until death actually happens, or some surrender value has been secured, insurance as a national security has failed. In all these remarks I am taking for granted the solvency of all insurance undertakings. And when I say "solvency," I mean that they will be able to carry out their promises, not that they will be able to do for the insurer what the Scottish Widows does for us. Now, in insurance the moneyed man should have no part or lot. It is too serious a matter for private venture, and in the better proprietary institutions self-denying ordinances have been passed, which reduce the profits to the dimensions of mere debenture dividends such as a state office might conceivably pay when starting each new scheme.

One of the most important reasons for the nationalization of some of our larger industries lies in the peculiar differences in the part which insurance could play under the two conditions of private and public ownership. In mines, railways and agriculture, for instance, where we have large bodies of people pursuing similar avocations, working under the same conditions, and receiving generally equivalent pay, insurance should be universally applied. But under private management every conceivable obstacle

and difficulty must arise. Who is to pay the premium ; which insurance companies are to be used ; who is to carry out the detail of the work and pay for it ; and what kind of benefits are to be obtained ? These are all questions in which master and man would have both pronounced and divergent views. Yet under state management they would be taken for granted before even wages were discussed. Each individual would step into his allotted place for old age, sickness, accident and death benefits. All these could well be arranged in accordance with the desires and the needs of the men concerned, and might be established with definite influence for good upon the nation at large. Experience gained with these would be useful as guides in our further efforts towards progress. But in insuring our members in any of the great national undertakings, we must unquestionably " scrap " the deep-rooted, inveterate red-tape system of selection of lives in one of its aspects. When a man falls in any of these national peace labours, he ought to feel that, as far as humanly possible, the State takes over the responsibility for those dependent on him.

The dangerous occupations : What of them ? Can any society less than the State take over the risks of these ; the risk, say, of such an undertaking as the North Sea herring fleet ? There might be money in the catches to pay for all the Scottish widows need after each storm has taken toll of life ; but will it be so applied by the ordinary moneyed man ? As to insurance, what would the actuaries of my good office say

if the subject were broached ? Scottish Widows : Lives of Men !

The urgent reasons, then, for asking all our insurance companies to become state services are briefly these. The State gets no security from them for the indifferent lives and dangerous occupations. There is no complete actuarial provision in every case for even a meagre payment upon the death which comes to us all ; for the help in sickness and accident which fall upon many ; and for those little sums which every household requires upon the loss of its head. Insurance, as at present carried out, except in our inadequate stamp-licking effort, emphasizes rather than averages the unequal lots which are found among us. As the social state progresses, it will be able to develop all those necessary benefits which the community as a whole so sorely needs. But is the State going to take over all the poor lives, and leave the good ones to the moneyed man ?

It is most unwise to leave this very important matter in private hands. The cessation of the competition of one office against another would free insurance such as we have at present from any expense in canvassing, or, rather, perhaps I should say in commissions. There will be canvassing of a new type, because all citizens will have to be included in future under some head. But the funeral benefit type of canvassing will be dropped ; it is neither good insurance nor good canvassing. The parish, in some new glorified form, will have to bury us all. But the army of canvassers which now exists will

have an enormous field for their exertions in taking the whole people as their province—just as the tax-gatherer does—instead of the few that are at present secured. Personally, I see no reason why under state insurance any policy whatever need "lapse." Whatever a man or woman can find once a year, or perhaps once in six months when we have got things running smoothly, may be looked upon as a single payment premium in case of a breakdown in the renewal. The State is concerned to meet the needs of every citizen in the land: the moneyed man is not.

The Fabian Society, in its volume of essays upon *How to Pay for the War*, has given us a very complete and luminous account of the advantages which would accrue to everyone by the transfer of our private insurance business to the State. The moneyed man would continue most of his advantages, if not all of his whims; and if any change were made in some of the larger financial dealings this would not be due to the weakness of state insurance but to Parliamentary decisions. The combination of good lives to secure special benefits for themselves, just because they are blessed with good constitutions, would be to some extent weakened. And a plan of state insurance against bad lives, so to speak, would undoubtedly be set on foot and effected, not by dispensing with actuarial guidance, but by asking for more towards meeting the needs of the national prospect of life. In every insurance office provision has to be made for those risks which become claims prematurely. If everyone

lived out the full period of his policy we should need no actuaries at all. In the national outlook there is a prospect of life per million. This can be used with respect to the surplus of our general insurance fund, and some of our unnecessary anxieties and miseries can be alleviated. I do not propose to endow disease. There is no better preliminary to its eradication as far as possible than our shouldering some of the responsibility for it as a state. We have done something towards the attack on disease itself, but we have as yet done practically nothing to put to flight those financial troubles which follow so often in the wake of sick poverty.

I will take a very simple instance of how the impact of insurance upon trade unionism might be made to minister to the advantage of the State. Anyone who has time to watch some of the building operations which are going on will observe a pair of rollers and a circular revolving dish turning out some very pleasant-looking mortar which the hod-carrier takes to the bricklayers and plasterers at work. In the making of this mortar or plaster you will note a man putting in a few cinders, a little sand and even soil, and some lime. But these are not enough. Watch him go to a rough table near, and take up a few handfuls of fibrous material which we might suppose the rollers would pulp and macerate sufficiently when they took their place with the rest. Not at all. He places these upon the table and proceeds to take two sticks with which he beats a kind of tattoo upon them, playing as it were on a musical instrument. His

skill seems great in the parting of these fibres from each other. But in the course of the serenade it is fortunate that his voice is not needed, for he inhales quantities of dust, dust from these objectionable fibres, which must some day damage his system very seriously.

Now, if this good man were insured through his union, whether he asked for relief or not, the union and the State could not allow such a reckless proceeding to continue. Look at the remarkable contrivances already used by contractors for eliminating both risk and cost, and you will admit that the alternative of a wholesome method would be easy. The man himself may be callous or oblivious, but the State insurance office could not be so, and the system would be ended without more ado. And so throughout the piece. The State should be charged with the insurance risks of all such proceedings, in order that one of its duties may be to extinguish the reckless methods themselves.

II *The Sordid State of Agriculture*

I AM the leader of a forlorn hope in regard to the farming of our land ; the leader, vanguard, main body and rear—indeed, a quite absurd and burlesque figure making an onslaught, by means of persuasion, upon the powerful force of landlordism itself. My plan of campaign is to persuade the landed gentry to help us to farm the land of which I feel obliged to dispossess them. To dispossess them, however, by purchase of their deeds only, not of their active participation in land culture and land lore ; I ask them, in fact, to take the lead in adapting the old acres to our new needs. I am not proposing to insist upon a very expensive uniform to tempt them into the land army and into the work. The old breeches and the well-worn gaiters will do quite well. So will the same stiff cob.

To gain a victory I fear that I shall have to divide the enemy, but I am fairly cheerful about this, because it is divided already in everything but appearance and words. For my purpose this division may be taken to be that between the moneyed man and the rest. The moneyed man did not appear upon the land at first. Indeed, the market value of land did not dawn upon people for a long time. In the old days the king gave certain powers and rights, with

responsibilities, to the barons in order to secure national benefits, and the barons accepted, as a matter of course, the risk to their lives in the wars. The barons devolved upon others some of these rights for minor responsibilities, and the land got tilled without its money value becoming a thing to be discussed. But one cannot write upon the later subject of enclosures, and the moneyed man of those days, and keep one's temper at the same time. The same kind of creature it was, the moneyed man, who spoke to those in power of the increase in foodstuffs that could be obtained by enclosing, and who, afterwards, when the Corn Laws were repealed, put his stolen acres down to grass, destroyed the living of three labourers out of four, and caused them to depend upon the army—such was the subtlety of those in power—or upon the outer world for food. And again, when the very existence of everyone of us was at stake, this same creature must make the State pay him for sticking to the land, which in the interest of us all he ought to relinquish to its real owner—the People itself. But the moneyed man does not keep faith even with his own class, as I have said above. He quietly buys a farm from under the very feet of his neighbour and turns him out. He outbids the real farmers who are tilling the soil, in order that he may obtain the sporting rights of them all. Would the State turn a man out on the offer of competitive cash, or allow the millionaire and the society magnate to interfere with the comfort of a smallholder? Are the interests of the masses served, Mr.

Asquith, by our present sporting rights ; does the fox-hunter represent the interests of the whole ? Need I speak of the housing of the People at this hour ? Everyone knows to what the present system has brought us all.

It is a very curious fact that the order of the moneyed man includes within its ranks some whose capital is ridiculously small. The gombeen man is a specimen of what I mean. But it is equally curious that this type of small moneylender should have a very distinct effect upon our social life. And it comes to this anomaly in the end : the trace of the moneyed man is in the poverty of the country. It may be a man in the city who makes us pay 5% and 6% instead of 4%, or it may be his fellow on this dirty farm who lets his diseased stock drink milk out of the open pails in the yard : the thing is the same, the particular cash for the particular pocket, rather than clean, cheap things for all, especially for the poor. I do not say that you can trace the rich man, far from it, but I do say that you can track the moneyed man by the slime caused by chaos and dirt. His love of money is the joy he takes in holding his fellow by the throat, spoiling and enslaving his life through the use he makes of his pittance. In farming he holds the very land down and impoverishes it for his sordid ends. In back-to-back houses he produces squalor and vice, and lives upon them. In industry he howls if the State forbids him to degrade womanhood and stunt children by his cruel and benumbing jobs. And if he reaches church or

chapel at all, he casts a spell of ignorance and death on both.

My conception of a state differs, of course, from that which was disclosed recently in the House of Lords. There it seemed to me to be remarkable that it should be considered the fact that the war was won by the moneyed man. If the dukes and others can believe that they can believe anything, and we need not concern ourselves with their ideas upon nationalization. I believe that a state's domestic duty is to keep its attention fixed upon the submerged, and first to cut off the supply and then raise those that are already sunk. Towards these citizens the nationalization of a few things will mean the difference between life and death, comfort and misery, cheerfulness and despair. I contend that we shall drop into the position of a fourth-rate power, to quote the House of Lords again, or perhaps I ought to say a member of it—not by nationalization, but by its neglect ; by the establishment of trusts and combines ; by crowded cities and desolate hillsides.

It is not to be wondered at, knowing as we do the general character of the moneyed man, that he dislikes the idea of causing money to be really beneficent to us all. The moneyed man's business as well as his importance disappear if the State takes up the citizen's case. If I can get a bit of land from my county ; borrow from the State bank enough for the purchase of the prime necessaries of a house, stone, brick and lime, timber and slate, giving a charge upon the building which becomes a debenture for the

amount ; if I can have my produce collected and sold after my acres have been tilled under the guidance of the agricultural experts ; I shall have performed a number of operations which are generally controlled and injured by the moneyed man. How many thousands of hard-working and efficient honest souls are there at the present moment who would be admirable servants of the State upon the land, but who are debarred from it purely because of money ? We want character rather than cash in our various undertakings. We might as well ask a miner about his bank balance before sending him down a pit, as ask some of our best qualified farmers for proof of sufficient cash to do justice to their land. And, unfortunately for all concerned, the landlord is often as poor as the tenant in his own way. In any case, he wants money to pay off this, that and the other, to lead a certain life of elegance, and hence the policy of suck, suck, suck has become a not uncommon feature of our countryside. It has prevented any accumulation of money by the poorer tenants, although they have the best practice at their fingers' ends. The worst result perhaps of the activities of the dealer will be found in connexion with the necessary stock upon the land, which should be of the highest qualities everywhere in the national interest. Can we afford, as a state, to be at the mercy of the poor farmer who buys, and the moneyed man who supplies, poorness in quality in all sorts of goods ? We cannot ; but must through the agency of our counties supply every farm with

good stock and the wherewithal to feed it well. Compare an organized effort on the part of the counties with the present system in which the middleman runs riot, and one can hardly decide where he does most harm, in buying or in selling the unfit.

Is it a terrible fate that I have to place before the eyes of this middleman? Instead of the sporting chances of selling what I have called the unfit, and of getting back his money for it, to repeat the process: instead of the laborious round of trying to collect a little milk from farms here and there which "oblige him" by selling a few gallons: I want to employ him at a salary with bonus upon the careful watching of qualities of every kind, so that under his care every farm in the country may have the best, the finest stock, the purest seeds, the truest fertilizers and feeding stuffs that can be procured, and may by that means produce the finest that can be turned out. We do not want his bit of money—that would be better in land stock—we want his knowledge of qualities and his energy in applying the things which are necessary to the cultivation of the soil. It is a far cry from afforestation, and the feeding of sheep upon those silvery crags and heathy moors, to intensive culture in all its forms. But I ask the moneyed man how is the richest return of varied kinds to be obtained here at home if private ownership is to be allowed any longer life? What trust could or would finance all the legitimate aspirations of agriculture in every form? What enactments could secure under individ-

ualism the simple business-like arrangements necessary for producing, manufacturing and distributing our home-grown food and the other wealth of the soil? If the land is capable of employing four times the population that it does at present, no one now engaged upon it need fear any lack of work. And Free Trade need not be nervous, for if we do not need food we can always use up in other ways the things which it may wish to bring.

Let me turn with some relief from the seamy side of agriculture to those people whom I am anxious to enlist in the service of the State. I wonder if I can do any sort of justice to the theme. The love of the country is itself a sort of certificate to the quality of a man's mind. I presume that it has been in rural, as it has been in artistic life—the love of landscape merely is a somewhat recent acquisition. The pleasure afforded by farming is not the same thing at all as that given by the display of nature's wonders, both of colour and form. And yet there must be something in the very habitat itself, so to speak, which influences our minds. The denizen of woods and forests, the roamer in deserts and inhospitable places, the cragsmen —these all have, just as the sailor has, the love of their favourite haunts and their special beauties bred in their very bones. In a similar fashion the lover of the country, even if inarticulate, desires it with an ardent passion which should be the first instinct to which the State makes appeal. We can understand, then, how the finer spirits among the aristocracy turn with

longing and home-sickness to the land at last. The universities, political and diplomatic services, the army and navy, and even finance, may have claimed much of their active energies, while the land itself meantime has been the sport of agent and of political prejudice ; but to this land they have ever returned for rest, for a quiet old age, and a grave. If this class of land-lover had studied the subject earlier, from the State's point of view, much of our recent conflict and failure might have been avoided. Some method, better than childish bonuses and the like, might have been devised by which agriculture would have vied successfully with Free Trade in feeding the new population.

So far as seignorial condescension could help, many of these grandees have made every effort to fall in with the prayers of their tenants, and have thus, in dignified ignorance, added to the dreadful futility of farming as a whole. Here and there fine accountant's figures have been kept to prove that land-owning meant beggary —to anyone but themselves.

Side by side with this system, which was a relic of the baronial, there grew up a fine but more modest population of gentry who, though going as usual to the universities, returned home to carry out the duties of the countryside. Of course, there has never been any doubt as to the genuineness of the exceeding bitter cry of these good people when they found that under old conditions repeal had prevented them from growing wheat. No doubt many of these were of a different type from those farmers who

discharged three out of four of their labourers and threw everything down to grass. They probably turned to the breeding of the finest stock for the whole world, and we see some of their wonderful results in our shows to-day. From the Argentine and such distant countries we may learn the effect of their work. But still, on the whole, the outside world tempted some of the best individuals in the county families away from the land, leaving them, however, with the same deep longing to return. And of recent years the financial expert has appeared among them, and farming as a business has been seriously taken in hand. Of course, large units and big turnovers have been the cry, and the land has become to some of its older dwellers scarcely better than the town itself as far as this particular atmosphere is concerned.

I submit, therefore, with every desire to be accurate and just, that these countryfolk who, with the parsons whom I cannot overlook, have adorned much of the countryside, are seeing the commencement of a very ugly fight which will take place round their peaceful homes. The millionaire of all kinds and from all places, with city houseparties, baccarat, and the rest, will contend with the allotment and smallholder, backed by the Labour Party, for possession of the land; and the real thing, farming as it could and should be carried on, will be scarcely so much as thought of when the battle begins. I submit that the millionaire and the baccarat crew, in the sacred recesses of our country houses, are as distasteful to the better families

as they are to any of us, and that a successful attempt to secure the land for the people, without organizing its agriculture, will lead to many disastrous years. Is it, therefore, a long leap to the conclusion, which I keep urging upon all landowners, that now, while there is yet time, the landed gentry should accept the position of State tenants, and lead the country in this necessary function of State farming? Lord Ernle called together to his assistance the very people to whom I appeal, and obtained their help, under almost impossible conditions, to meet the needs of war. These committees, becoming county appointments, could be made the *ad hoc* administration for the organization for which I plead. I quote my own words in this connexion by the kind permission of the editor of *Farm Life* (November 15, 1919), pp. 70–73 :

"*Farm Life* has touched upon so many of our rural problems recently that one might almost reach what appears to be the best solution of them by a general summing up of the evidence and a final decision. Upon one page we have Lord Lee warning us that we are at the cross-roads ; that nothing less than making the best of the land *will be tolerated* ; and upon the same page we find labourers making sweeping demands for land nationalization. Are these two policies contradictory? Or is it possible to persuade 'the landed gentry,' for whom we may take it that Lord Lee stands, to accept nationalization and State farming, and help us to make a success

of it all? These landed gentry have always been supposed to hold of the King, and now we ask them to become tenants of the State, which is intrinsically the same thing. Any variance from this position is one which has been filched by lawyers from time to time. The State would welcome their remaining on the land if they would really live a rural agricultural life, and take the lead in all our coming actions. But it should be a life free from those imaginary or fictitious situations, which are illustrated by another passage in *Farm Life*. No one bears a higher character in public esteem than Mr. Acland, and yet he is stated to have said that out of a rent-roll of £15,000 he retains only about £1,000. I had at one time to discuss this same question in reference to a similar statement from the Earl of Denbigh, but here the position seems much worse. It is obvious from the items themselves that house property is mixed up with land which itself requires neither 'management, insurance, repairs, nor maintenance.' The fact is that our good gentry set up valuable 'seats,' and look upon themselves as victims when the income from the acres which surround those seats is insufficient to maintain them and pay the taxes and charges of war-times. It is probable that in many instances, I am sorry to admit, these seats do more harm than good to the farming of the acres which bring in sums such as this £15,000.

"But nationalization will not do any harm to such country dwellings if the change comes about in the way of peace. As long as we have control

of the farming of the acres which yield the income we shall still look with pleasure upon those charming residences which beautify the countryside. Here we shall still hope to find the walled garden and the orchard; the vinery and conservatory; the pergola, flower bed, and the rest. And it will be a blessing to all if these pinched incomes of £15,000 lead to the sale at the county depot of the surplus vegetables, fruit and flowers which are grown to such perfection in these country seats.

"The only inconvenience which the present landlord class need suffer is in the question of game. But I have claimed persistently in this matter that to the real sportsman there will be no great loss in the discontinuance of the absurd battue system. I think that King Alfonso himself would chuckle more over a snipe neatly brought down than over fifty pheasants beaten up to him in the approved fashion.

"If the seat stands in a home farm, which is really managed in a scientific way, the county can have no interest in disturbing it, and will not do so by the mere charging of a rent after nationalization. If, as I have said, the change comes peacefully the counties will look to such farms for the type and illustration of everything that is good. The county 'sires' of all kinds might remain there, and the arts of milk-recording and trap-nesting might be carried to perfection in them. Even the wealthiest landlord would probably welcome the financing of his timber in the coming time.

"What is going on now in this matter of land tenure ; the biggest landlord in the shires being powerless to prevent it except in his own bit ? Numbers of good farmers have their holdings bought from under them by bad ones, by men who know how to get money, but do not know how to farm to the State's benefit. Numbers more are outbidden at every auction by these war profiteers 'and such,' in order that their sons may have the sporting rights over the farms. Is nationalization likely, under any conceivable circumstances, to permit such outrages : are we, as a nation, going any longer to sit down under such a system as this ?

"In connexion with this continual displacement of good farmers for want of cash, it is surely obvious that the State, which will require good managers of farms, not financiers, will gain just as surely as the poor farmer himself will. In county farming the rotation or general system will not be controlled by the need of money or otherwise. The whole object will be to get the most food possible out of the land, of the best quality.

"Now look at what good county farming requires, and tell me if the citizen is going to consent to put his hands in his pocket to provide the machinery for the use of private profiteers, as recent years have shown many of our agriculturists to be. We require transport to deliver goods, and to collect for the various depots all the milk and other products. We require tractors of all kinds to do the tilling in the most perfect way. We need depots to deal with all

products, even to the final fattening of the stock, in order that everything may be presented to the consumer as the best, the final, thing in quality. We shall need the best business capacity at these depots that money can buy, and, next door, so to speak, we shall have to employ the finest scientific brains to be ever on the watch. We do not want for all these things your absurd ramrod Civil Servant, nor even at first those new beings which Lord Haldane promises. We want good business brains applied to the farming industry in county units.

"Now, if we do not secure nationalization we are helpless in bringing good farming about. For let everyone remember that wheat is the centre of good farming, and that wheat by itself does not pay. And let them remember next that Free Trade is the very life-blood of our country. Every item, then, of our farm produce, wheat and oats, butter and cheese, poultry and eggs, beef, mutton and bacon, must be sold in London and elsewhere at Free Trade prices—the only protection required being that the qualities must be watched. For I am not going to produce at home all the best things that science and labour can turn out and then allow the citizen to be told by the profiteer that some inferior goods from abroad are as good or better. By means of careful testing our imports themselves will improve in quality, and the general public will be served better than ever.

"If, therefore, we grow wheat at a loss we must have the whole of our products taken together to make a profit: we cannot so legislate that

wheat must be encouraged by bonuses, and milk neglected or made profitable only to the dirty purveyor of it. Can anyone pretend to the slightest knowledge of what goes to the making of milk and state that *every* citizen, the poor ones especially, can hope to get good, clean milk by the present system? The meadows are bound up with it, the arable is part of it; the best breeding is its foundation, and agricultural wages are its corner-stone. I know that certain of our landed gentry do this thing to perfection. I am asking them to help us to make everyone follow suit. Come with me to see the origin of some of the milk our children are actually drinking, and neither you nor they will ever touch the thing again.

"I am for peace: I want these landed gentry to come, before it is too late, to the citizens' side, to lead the van, indeed, in this national effort. I have often written of the terrible dilemma in which we are placed; nearly all great causes have been in a similar one in crises such as ours. The only people who really know the necessity for land nationalization are the very people whom we should appear to be dispossessing of it, the landed proprietors themselves. It is from among them that we should draw those committees in every county which would move heaven and earth to make the products of their own county the best of all. By this delightful competition we should eventually establish that variety which is desirable even where the product is the best. And a refusal on the part of those in possession will largely destroy that good

feeling in the countryside which we desire to bring about.

"Think what nationalization will mean—for we must have it—if it comes by the sword, class against class, party against party. The Free Trader will loathe the giver of doles, instead of catching the true spirit of the effort—the attempt to grow agricultural produce on the average of Free Trade prices. The 'bloated millionaire' will buy out the old families, and a bitter and disastrous fight will ensue between labour and the trusts. The hearts of the Labour leaders are with the citizen now, and no terms will be made with the trusts to the general disadvantage. But the temptation is sometimes strong to get their personal profit and let the interests of the ordinary citizen, or even of the weaker unionists, go. There just remains enough of real aristocracy on the land to turn to the plough in preference to the Stock Exchange. Will it work with us towards a new rural England, or must it be war?"

To this appeal there was a rather hurried answer, but later a more elaborate one appeared from the Central Landowners' Association to which I will venture to refer. In all my appeals for nationalization I have steadily opposed the "tax and buy" proposals and every kind of confiscation, and it is therefore unfair in replying to me, as was definitely the case here, to drag in the confiscating idea of others to create a prejudice. It is no more confiscation to take the whole of the land and pay for it for national

purposes than to take some of it for a railway or a dock. And I, personally, am proposing to leave everyone upon his old acres. But I should like to quote a passage from this "striking manifesto," because of its bearing upon the usual methods of the moneyed man.

"With the adoption of land nationalization a fresh problem would arise in the mind of every would-be purchaser, who would have to ask himself: 'Can I be sure that if I invest my money in the purchase of some particular form of property which now seems to be worth the buying, the State will not presently step in and declare that property of this particular sort must all belong to itself and that I deserve small consideration for having dared to purchase something which is deemed to possess a national value?' Such a situation would be like that in which the first stroke of paralysis strikes a healthy man, who thenceforward, even though he may make a partial recovery, cannot but fear the return of the shock at any moment with possibly fatal consequences."

The writer of this paragraph, though probably a moneyed man himself, or at least representing him, seems to know little of the real doings of this class. The fact that land nationalization is proposed by the great party of labour has made it quite certain that land buying is a good investment if the sale is not hurried. Nothing is so fine a test of value as a purchase and sale. On nationalization, therefore, the buyer gets his

money back, with something over no doubt. After the moneyed man has bought land, therefore, his risk is not confiscation at all, but the reverse. His troubles will lie with Free Trade and the difficulty of farming land that is not nationalized. And this the buyers of land know well, and should not draw a red herring across our path.

I think the Land Nationalization Society might adopt, except in the matter of guarantees or bounties, the well-turned phrases of the C.L.A. in stating the programme which they oppose. Here Free Trade must set the pace. But we have nothing to do with any "impression that large farms constitute the typical characteristic of the country." State ownership will take things as it finds them, and rectify if necessary as time goes on. Seeing that what the State requires is heavier production it will of course address itself to that problem as quickly as it can. The following are some of the points made in the manifesto of the C.L.A. :—

English Land is a Manufactured Article

1. The claim that the land of England is not virgin soil but "a highly manufactured commodity" always amuses me, and I can scarcely treat it with that seriousness which the whole subject demands. Are we discussing the price of land or the principle of nationalization? If the price, all the questions of the state of cultivation are considered by the valuers, and the decision as to whether the land is "highly manufactured" or is dirty and almost worse

than virgin soil are judged by the experienced every day in the year. The fact that landlordism either through kindly indulgence and inattention, or through pure laziness, allows our good land to be drained of its fertility, proves rather that this manufactured article should no longer be allowed to depreciate by being left to haphazard farming. Whether the land is raw material, as Mr. Wateridge contends, or the manufactured article, or merely landlord's capital, has nothing whatever to do with the question as to whether the State should assume possession of it after adequate compensation has been made. It is easier for me to think of land as land or soil than as something akin to rolls of flannel or locomotives. The way in which soil is caused by nature to supply the food to plants, and the acts of man which may enrich or impoverish that supply, are marvellous enough, and do not need to be twisted into the likeness of things which do not resemble them. Land is sometimes definitely the raw material out of which earthenware is made, but has no resemblance in that use to its purpose when spread as a top-dressing on the soil. If the landowners accept such an illustration as this for the character of the land they let, it seems strange that they should ride over it to its injury, after the foxes that injure it too, as they would scarcely do among the vases and furniture in their homes. But here am I, a creature of both time and space, wasting them both in a futile discussion.

2. The next contention is, that the landlord accepts "an altogether uncommercial rate of

interest," and finds the capital for equipment. But no one has ever blamed the agricultural landlord from the profiteering point of view. We have only argued that he is in the way when it comes to building up a happy, virile race, growing plenty of food for the People, and where agricultural management and labour are concerned. If the landlord is content to receive 2% or 3% upon his capital, there must be something which causes this content; and it is to be feared that that something is injurious to us as a people in more ways than one. If the tenant farmer is content, if labour is content, if the People as a whole are content, I submit that it is a pity that this should be so. If the landlord is content with 3%, the land-stock fours will improve his financial outlook: and if he awakes before it is too late he may still dwell in the old place, and help us to guide agriculture into ways of plenty. If he waits too long and raises bitter feelings in long patient breasts, his place will be taken by others and we shall all be losers. For though we do not want him as a landlord, we shall welcome him as a state tenant in his old home.

3. Closely connected with this question of finance is the contention that if the State were to buy all land, one result "would be an enormous addition to the National Debt." There is here a suggestion that the two things are the same, the land stock which is to produce rents and agricultural profits, and the National Debt for which there is no trace of an asset of any tangible sort. The 8,000,000,000, though we

may have got value for them in the Kaiser's defeat, is just as near to the soil as an asset as an exploded shell is. We may have a happier, freer England looking towards German junkerdom, but has it freed us from our share of the same spirit? But in land stock—the stock which we should issue to purchase the land at its valuation—we should have that which will enable us to increase our safety as regards food, our comfort in the matter of housing, and our general well-being. If we cannot own and manage the land without "forcing up rents," it must be through some other preconceived notion about State management, such as is disclosed in another item of the landlords' argument. These are the words of the memorandum:

"Further than this it is surely plain that, even if nationalization should prove financially practicable and economically sound, it would have such an effect on the machinery of Government as inevitably to change its character. The policy would involve a huge increase in administrative staff; and while the taxpayer would have to foot the bill for this new army of salaried officials, it is far from being apparent what he would gain by their creation. The country is already chafing under the rule of bureaucracy, and does not want to trust its greatest industry to the mercies of officialdom."

In another place "the dead hand of the Treasury is referred to. Again:

"It is, moreover, abundantly clear that if the

State endeavoured to avoid some difficulties by itself becoming the farmer, not only would most of the evils mentioned above be greatly intensified, but the result would also follow that every labourer would become a servant of the State, and the House of Commons would be used as an instrument for determining his wages. If this were done it could be only a question of time, and not a long time, before the whole economic position was thrown into complete disorder, and the country might quite possibly find itself faced with the prospect of national bankruptcy."

Here, again, I think I have definite grounds for protest, seeing that these words, descriptions, arguments, are produced in opposition to my own reading of nationalization as I have set it out above. The management has always been proposed as county management, and as removed altogether from politics and placed under scientific and business control. I have urged, and it was this which started the discussion, the formation of local committees to represent and assist the counties in this national work, and I was appealing to the county gentry to help as they had helped Lord Ernle. What has the Treasury, what has Parliament, to do with our municipal and county undertakings, except to confirm new proposals and adjudicate upon rival claims? When Parliament has given us the land and state farming its work will have ended, and none of its time need be spent upon the details of the work. But I desire the C.L.A. to note that if bureaucracy comes it will be due to the

impossible attitude of the landed interest, against which I am appealing while yet there is time. As to huge administrative staffs, I affirm here that more economically managed undertakings can scarcely be found than our municipalities.

4. But, says the C.L.A., " the State can control without ' buying.' " This is stated by an association which must know more fully than I can the vast expense and waste which was caused by war control, and how the ineffectiveness, the impermanence, and the irritation caused, are the main grounds of so much objection to State interposition. If Lord Ernle could do what he did under the dire stress of war, what wonders could he not achieve if he were to set all the counties contending together for precedence in production in the blessed days of peace !

But our farming difficulties will not disappear upon the nationalization of the land. Indeed, they may be distinctly aggravated by it unless we have by that time formed some reasoned policy towards the treatment of the land when it shall have become our own. At present the trouble of earning a good living from the tillage of the soil in peace-time tends to keep some of the incompetent ones off it. If it did not matter to the State what the yield from our acres was, many of them would be allowed to revert to the common, and become the sportsman's paradise. As I have put it before, and must continue to put it until the case is altered, at present the good farmer is the bad farmer. The only person who can make a living upon English land is he

who diminishes the population, reduces production, and trusts chiefly to grass.

The Englishman, therefore, ought to make up his mind, even before he decides upon his political party, whether the policy of ignoring our home produce is to continue or not. I take it for granted for the moment that nearly all citizens, from the point of view of safety alone, would vote in favour of our getting as much foodstuff grown here at home as we possibly can, and that of the best quality. When that has been agreed upon, the methods to be used come up for discussion, and then the realities of Free Trade appear upon the scene. A certain school of tradition rather than of thought urges that a duty ought to be levied upon imported corn in order that it may pay the farmers to grow wheat here. This question has been discussed and settled long ago ; the country had negatived the idea of a duty on wheat. So the beaten party has adopted the more recent plan of paying a bonus on our home-grown corn. Under a government such as we have at present, a bonus would be given but for the fear of unpopularity. Under any of its opponents it would not be considered. But I may note here what I may almost characterize as the wickedness of promising a farmer a guaranteed price for his wheat and then withdrawing it. Many farmers have been suspicious and have given up wheat, but farming as it ought to be will never thrive on suspicion.

The see-saw of the two opposing policies will go on, therefore, just as before, unless we can induce the whole body of voters to concentrate

upon this vital matter until the problem is solved. Agriculture under present conditions will not be studied at all as it ought to be by both sides, but will be the sport of circumstances. An election on Ireland might perhaps leave farming a victim of Free Trade ; another, say, on Russia might produce bounties : the subject having been ignored in both cases. And so the land will remain untilled. For to pay farmers to grow wheat is not to solve the problem. *To grow wheat as the centre of a complete system of adequate farming is the only solution that will meet the case.* This is the text upon which I shall continue to preach.

There is another difficulty connected with the attempt to secure discussion upon the uniform tillage of the soil. Those who know the land best are, of course, those who dwell upon it and work it. The best among these, both proprietor and farmer, know quite well the danger to the State of our present system, and the disgraceful and unproductive condition of some areas. But they are prepared to recommend any changes rather than those from private to State ownership, and from individual to county management. At the same time, the small man, too, desires his three acres and a cow, although he would strongly object to the lighter duties of the tread-mill, if such a thing still exists. We must clear our minds of cant, even in this important matter of smallholdings. There is ample scope for the small intensive farmer of all kinds when we have arranged our transport and market facilities for him. It is also quite true that a cow will yield

better under the conditions of being, as it were, one of the family and treated with kindly affection and care. But the dangers of dirt and disease do not discriminate: they visit both the kindly slut and the vixen equally, and our milk supply is too sacred a thing to risk by leaving all to chance. We must not let Mr. Jesse Collings's pleasant tag become a source of danger. A single cow in every smallholding, unless it were specially arranged for under perfect conditions, would be an inconvenience, a cause of waste, and a source of risk to the general movement.

I do not expect quite to convince the landowner in the sense of making him an enthusiast for nationalization. Frankly, I think, as I have already said, that he is making a mistake in deciding to be coerced, because by sitting too tight he loses the opportunity of leadership in the new farming. And in spite of this I am very urgent in pleading that, when state ownership is decided on, the landed gentry should be left as nearly as possible in their old homes, and invited to take the lead in our new developments. I make no apology for telling even the dukes that active leadership as citizens farming the various counties is more in accord with their own best traditions than is their present useless and politically injurious type of life. In the new senate the county agricultural leaders will hold an honoured place. There is plenty of almost idle talent—from the State's point of view—in the counties, to man all our agricultural committees and supervise, under expert guidance, the perfect treatment

of the land. As to the small owner, he will find a career infinitely more useful and lucrative as a state tenant working under county direction.

However, I fear that it will not be from these that we shall acquire the momentum to bring about state farming. There is some slight evidence that, sailing as we are doing the ship of State into these troubled waters, we are to some extent in the position of the apostle and his fellows when the shipwreck occurred. The crew, our landowners, are unwilling to lend a hand; they are sheering off; they have some other views of their own. Mr. Robbins put it to the Prime Minister in this way: "As you are aware, many farmers have been practically compelled to purchase their farms; in most cases they have only been able to do so on borrowed money. You do not need that I should remind you of the high interest charged by the banks." It would be something gained if we could pass an Act to make all sales of land to purchasers other than the State illegal; to authorize the purchase under strict conditions by the State; and then to make the counties the acting landlords of the property. The farmers would gain enormous relief at least. "Unless these men remain in the ship it cannot be saved" may be language too strong for the present crisis. But it ought to be brought clearly home to the class of whom I am speaking that, if they thwart all our efforts towards a national solution now, there will come after us citizens who will probably make short work of all their pretensions, spoil the best chance for home production, and experiment with

the land as they think best. Mr. Harben in his pamphlet says that the immediate business of the landlord is " to get off its back."

Now, some will say, as above, that there are other means of producing good farming ; that we can legislate in this direction and in that ; that we can punish this, that and the other ; that we must try some sort of control first. I respectfully submit that this is not so, and that the permissive and the preventive are the cardinal mistakes that the People and its Parliament make. It is quite easy for the People as a whole to do a thing well if it decides upon that course ; but it is impossible to procure that a thing shall be done well by punishing those that do it ill. I have spoken of the old tenure and the new. All tenures derive eventually from the King—the State ; and the new holding will involve the carrying through of certain specified duties, rotations, fine breeding, and the like. Long family records and traditions may here be given a new lease of genuine life. The hereditary nature of the holding will depend upon due service for the county agriculture. The leadership of the baron in war will be replaced by that of the learned and practical farmer in peace. Suppose that the League of Nations succeeds, and that few warriors will be needed, we shall still require our Lord Robertses and Lord Henrys to deal with big affairs. But they can still each retain a nice country home without jeopardizing our wheat rotations, our milk records, or our sires.

To talk about giving a bonus on wheat, or

putting a duty on foreign supplies of it, is really to exhibit gross ignorance of the real nature of the problem. But, fortunately, few of us are, like the farmer is, in the unhappy position of being the stormy petrel of society. If he makes money nowadays, we may take it for granted that things are going badly with the State. We already grow wheat so well that those who send us cargoes from North America and other parts of the world wonder how we manage the great yields upon some of our acres: but it scarcely pays to grow. The fact that we draw so much of our supply from abroad gives the impression to many that *we do not know how to grow wheat*. An American with whom I discussed the question recently was staggered when I showed him the return of the relative yields per acre in the various countries issued by our Ministry of Agriculture. He had taken for granted that the case was the exact reverse of that which the figures revealed. To put a bonus on wheat, and to tax foreign supplies, does not touch even the fringe of the agricultural problem.

The fact which, if any one fact can be an absolutely critical or crucial one, is conclusive in our problem; the fact upon which our present tenure and individualist management all hang; is the central or pivotal character of wheat in all perfect husbandry. The question is not, and never can be, the comparatively simple one of a little more, or a little less, wheat. It is the much more fundamental one of our whole food supply—bread, meat, poultry, eggs, milk, butter

and cheese, as well as every conceivable vegetable product that the human being, in England, eats or wants to eat. It is the men, women and children who want to eat and fail, that I have to keep my eye upon in this discussion. The problem has to be solved for them, and the problem cannot be said to be solved if we interfere with the beneficent influence of Free Trade. In all that I may say I take for granted that Free Trade will pour in upon us all the good things it can for consumption and manufacture, for pleasure and profit. Mr. Harben seems to question this. His words are :

" The whole aim of agriculture in this country is at issue. Are we to be mainly a wheat-growing country or not ? Are we to aim rather at the Danish system ? Such questions cannot be settled by the Tory Party, or the Labour Party, or any other party. The answers to them must be worked out in practice by the industry itself."

I humbly submit that the industry here at home cannot discuss whether wheat is the essential centre in agriculture, but that it ought to confine itself to the practical carrying out of the policy involved. We shall come to no national and simple conclusion under any other scheme. But under it we shall gain all the benefits of the Danish and every other plan, and the special crops for special districts can all be worked in. To make wheat the centre is not to become mainly a wheat-growing country : quite the reverse.

I surely need not labour the proposition that the present system of agriculture cannot face Free Trade except during the temporary crisis of war, and even then only by extravagant state expenditure and guaranteed prices. The bitter cry of the landed interest after the Repeal of the Corn Laws, and the terribly unproductive condition of agricultural land on the outbreak of war, are sufficient evidences upon this head. The reduction of the farm labourers on the Repeal was in many districts from four to one: does that satisfy even the war-monger with his eye upon Russia and Mesopotamia? You may drive men into the army by enclosures, but how is the supply to be kept up when the land is bare of men?

If then, Free Trade lays the bulk of our good land down to grass, what are we to do? Neither the prairie nor the nomadic or trekking systems apply to us here, although some of our citizens seem to think that what was good enough for William the Conqueror should be good enough for us. I am not going to speak of the enormities perpetuated in the past under the guise of feudalism; of Humphrey of Gloucester and the things set out in *de quo warranto*; indeed, I do not know enough to talk of all that was done in earlier days. How oft the power to do ill deeds made ill deeds done! Feudalism is dead, but its carcase lies still upon our fields. Let us bury it decently out of our sight. The feudalists have had their innings and failed. Let Labour teach them a more excellent way.

Wheat is the centre of all good farming, but

can only be grown at a profit when it takes its place as the pivot in all the rotations of a wide area. There are some extremists who would convert our grand farms into a kind of stock-yard, tying up all the cattle, and ploughing all the land—a sort of cramming system. Let not such a method of *manufacture* be so much as named among us. There is, however, an intermediate method, well set out by Mr. J. C. Brown, for instance, of Harper Adams, which unites the advantages of meadow and stall-feeding of cattle in an admirable way. Mr. Brown claims that we might double our produce by this method, and the method itself is adaptable to all conditions. But rotations require to be applied systematically in districts which will be defined by other considerations—adequate transport, collecting and grading, as well as manufacturing facilities and sanitary arrangements of all kinds. And the result to be obtained will be complete yields of cereals, meat and dairy products, from all farms. Just as I protest against the stockyard ideal in farming, so I urge the self-contained and self-supporting unit ; the production of feeding-stuffs and manures in the area itself, not the import of these except, as I might put it, in medicinal quantities. Do not let us forget that we are out to make a profit even against Free Trade, and that careful finance is essential. There are supplies of lime generally at a reasonable distance, and the by-products of gas-making are fairly well diffused. The application of lime or chalk to our farms is so necessary, and yet so little understood, that we

require, not a few farmers reading one of the beautiful University of Leeds pamphlets, but the regular carrying out of the Garforth suggestions upon the various county areas. Lime and manure are twin brothers in good farming.

Those who study this problem with care and anxiety will note that the suggestion of large, say valley, areas and sub-areas is primarily a question of uniform production passing daily to the milk collecting stations, the abattoirs—in a word, the depots in such area. The scientific management of the area—its drainage and special treatment as to fertilizers, its security from disease and the imperfect in all kinds of stock and seeds—is of equal importance, if not greater in itself ; but we must establish business principles before we have a safe foundation for research and improvement. And the business man will agree with me, I believe, when I claim that an undertaking of this nature—the whole output being prepared with a single aim to the best qualities carefully grown and distributed—presents an altogether different aspect from the point of view of profit, compared with the absurd incompetencies of our current system. Before referring to some of these I will just add that there is little need to fear, under such a national effort, the thing called a glut, however great the output may be. For just as in coal products our chemists can manipulate the material in accordance with demand, so in agriculture we can adapt ourselves to the daily demand in a perfect way. The milk that will not keep hours can be turned into goods that

will keep and improve for months and even years; produce can be cured, preserved and manufactured in a multitude of ways. In fact, it is Free Trade not home agriculture that must look to itself. The individual is powerless to do this. There need not be as much waste in a year as occurs almost daily on a large farm. The destructive waste of certain semi-madmen, which was discovered during the war, could never come to birth. Think of what the towns will gain when the various counties compete with each other for the custom of the poor. But I must just remind the reader again, that wheat, by its mysterious but beneficial influence upon complete farming, will be found to be the basis of it all.

The present Secretary of the Ministry of Agriculture is the last hope of feudalism. He himself has warned it that the defence has come to the last ditch. Sir Daniel Hall has told us that the next move must be nationalization. But how splendidly he has conducted the defence of the *old régime*: splendidly for both sides, for we shall all be glad to know that what could be done has been done for individualism, for the voluntary and the permissive, and for the feudal tenure itself! The subject is too grave for burlesque, and the actor too serious for anything but deep respect. And yet the old armour of "when knights were bold" looks almost tragic with Sir Daniel inside it, when we think of what he could do for us all if the State would give him a free hand and release him from his embarrassing costume. I propose to discuss a few of the

scenes in this sad and sordid play. The title given to the present method of acting is " Educational " ; the farmers are to be lectured, and those who attend will doubtless learn much.

But our difficulty has never been with those who are willing to learn. It used to be a little education in itself to go round the farm with Professor Blackshaw, for instance, and listen to his words. The difficulty has always been to get all the farmers to listen, and then to make them act upon what they have learnt. The subsequent difficulties of organization have never been debated except through the ignored medium of the A.O.S. If you want to teach children, you do not send the headmaster round to find a few willing youngsters and tell them about Euclid and algebra and the rest. You get them all under some sort of control and discipline ; give them their tasks, and, as far as possible, keep yourself at hand to guide and help. I cannot take our national schools as typical with their classes of sixty children, but even that indifferent effort is more businesslike than to send Principal Foulkes and his fellows about the country to implore a few farmers to listen to reason, and then leave the State to take all the risk of what neglect of these wise teachings means.

Well ! the Principal of Harper Adams has been lecturing upon the subject of wheat, and has made these points :—

i. " The wheat supplies of this country are likely for some time to come to give cause for concern to those *responsible for the country's*

food. The available figures from other producing countries, and the increasing demand from nations which are becoming wheat-eaters, all point to a reduced supply for Great Britain. Though this country buys its wheat from many parts of the world, and it is hardly to be supposed that a shortage would occur through simultaneous failure of crop in all those countries upon which Great Britain depends, yet, with a narrowing down of the world's exportable surplus upon which we rely, *it is imperative* that steps should be taken to reduce the present risks."

The Secretary to the Ministry himself has spoken to the same effect.

"There is," he says, "no escape from the conclusion that the world's supply of wheat will be short for some years to come, so short that any bad crop in one of the great producing countries may result in *something like famine.* The one and only remedy is *to place increased acreage under the plough.* . . . Wheat is *likely to pay the farmer* as well as any other grain crop."

Now my contention is, in view of these "educational" warnings which have now been going on for a long time, that the country as a whole cannot afford any longer to pipe to people that will not, in fact that cannot, dance.

ii. "This country produced in 1868," says Mr. Foulkes—and I remember that bumper crop well, and its effect upon farmer and speculator alike—"almost 17,000,000 quarters: in 1920, nearly 7,000,000. The land used in the former year was nearly four million acres against less than two millions in the latter."

The Principal seems to think that someone can be held to be responsible for avoiding this risk. Can anyone really be conceived to be responsible when we, as a people, are content to let everyone do as he will with his own? Are we the owners of this English soil or not? Are we to take the risk, and yet leave landowner and farmer to grow what they like, market it or not as they like, and make us pay what they like, even for a little extra wheat grown just as they like as regards the vital questions involved? Are we as a self-governing State responsible for the condition and management of our own acres or not; or are the landowners responsible to court martial if our wheat supply fails? Is there no alternative, both safer and fairer, to this unsuccessful bribery of the farmer to give us more wheat? And does the bribed growing of wheat give us all those other products which under adequate organization would follow in the wake of a good wheat system?

iii. The Principal's next point is that "under the normal conditions that now prevail again, the question of a remunerative price must supersede all others as the dominant factor in the production of home-grown wheat and that . . . with not only a free and uncontrolled market but a guarantee against loss . . . the growing of wheat becomes an attractive proposition." To the farmer, but not to us as citizens, for there are three reasons at least which vitally oppose the plan. In the first place, the farmer is left free to accept or reject this attractive proposition; in the second, we have to bribe him to accept it at all;

and in the third, we may get a few extra quarters of wheat, but we do not get that complete scheme of agriculture which the people must have.

iv. The fourth item of the Professor's is a very obvious one which the farmer might in all reason be expected to endorse. It comes to this : " The average yield per acre for the country could be raised materially by the adoption of one or other of the new varieties. But is the country to continue to study this most important subject, and allow Professor Biffen and others to devote their whole lives to it, and then permit the results to be at the mercy of every farmer's whim ? If Principal Foulkes has a new variety to propose to his area, the county for which he works ought to have power to apply the new seed to the acres waiting for it. I must pass by some of the factors in farm life which concern wheat—the tillage required, the sowing as well as the choice of seed, the manuring and the rest. But I will suppose for a moment that we took over the land, and instituted a four-course rotation—varied in many details in the different districts—which means that in every field in which wheat can be grown at all, we shall have a crop of it every fourth year. As against the other usual crops, excluding meadow-grass, we should thus get one-fourth of our arable production in wheat. And here and there we should still have our great wheat-grower's triumph.

But in these rotations certain preliminary acts of farming would probably be set up which would improve even upon this improvement. In the journal of the Ministry of Agriculture

there occurs a remarkable report upon certain threshing results in 1918, where the wheat had been grown after clover, cabbage and beet—one field yielded 72, a second 76, and a third 92 bushels of 63 lb. to the acre !

Round such a system of farming with wheat in the centre are grown in turn other cereals—oats, barley and rye—potatoes, the great nitrogenous group of peas and beans, turnips, clover, and the other human and cattle foods. They will all do honour to their great leader, wheat.

As the State should fix its attention first upon wheat, because of the imperative need for it, and because of its central character in complete farming ; so its next duty is to attend to the vast industry of stock-rearing, the source of meat and all milk products. Wool is almost a by-product, but we should need it badly for warm clothes, just as we should need bread, if the submarine cut us off from the outer world. The centre of high-class stock-rearing and the milk-supply ought to be the leguminous crops, and these are perhaps the most neglected of all the items on a farm. Is it worth the attention of any dairy in the country to do justice to its butters and its cheeses under the present system of chance marketing ? The difference between the two products, wheat and stock, as it concerns the management and organization of agriculture, is that in the case of the former the difficulty is to get it grown at all ; the whole industry suffers and the State is risked ; in that of the latter the peril lies in the definite dangers which attend individualism here. We have been

troubled recently, not only with rabies, which can scarcely be called an agricultural scourge, but with foot and mouth disease, and with fluke. The Ministry has worked hard to " stamp out " the former, and Lord Lee has told us that " for the first time in the history of this country we are initiating a scientific investigation, without undue regard to cost, with the determination that it shall be thorough and searching, into the nature of this pest and the means of grappling with it. I am inviting the services of the most distinguished scientists from any part of the world to come and help us." But in this case, may we not fairly ask why, if the farming fraternity are so impatient of control, they had not themselves undertaken this investigation ? Why saddle us with it when they can do so much better without our help ? And why should the Ministry four months afterwards be obliged to send out a circular from which I extract these words ? " The whole of the stock," it runs, " affected and directly in contact have been slaughtered. *It is a significant fact* that in one case the lesions found were at least a week old, and provided ample proof that, in spite of grave warnings issued by the Ministry, there are still *farmers and dealers* who are neglecting their duty to their country and their obligation under the law." It ought not to be necessary, under adequate organization, to make these agonized appeals to people who are too dishonest or too ignorant to respond to them.

Disease, though its methods of approach are mysterious beyond measure, generally flourishes best in poverty and dirt, or in some condition

adverse to the general well-being of the affected organism ; and the poor farmer may dread, more than its ravages, the loss of his stock. Under county management the predisposing conditions of disease would not be allowed to exist as they do at present under individualist freedom. Sanitary cleanliness and suitable food are the best safeguards against any plague until the actual cure or prevention is discovered ; and even then they cannot be neglected with safety. In all probability foot and mouth disease will be found amenable to precautions and cures that must be applied nationally and under wise general preventives.

But before we leave this painful subject, let us look once more at the words of the circular : " The lesions (that is, wounds) found were at least a week old." Think what this means. What is first discovered is loss of appetite and diminution of milk, chewing the cud is lost and saliva appears as froth ; little white masses are formed in the mouth and grow to a large size ; the contents of these are discharged and leave those lesions of which Whitehall speaks. The foot is affected and runs a similar course ; so that " lesions " mean that the disease has run through all its fell routine.

Now, we do not know how the infection spreads, but it was supposed that infected hay on one occasion brought the disease in from abroad. If such were the case it does not need much imagination to picture how one poor cow left in this way might easily infect a parish and eventually decimate the countryside. Most diseases

have some specially infectious stage: here we have run through the gamut of them all; the plague must have been given its chance to spread, for complete isolation and the destruction of infected surroundings do not tally with the secretive spirit of these men.

Lord Lee has gone to the Admiralty, and has probably left his heart behind him on the land. But at least he will be free from treachery such as this. And yet if he were to import into our Navy the same system as we still permit upon the land—individualism in all its dreadful forms—for how long should we be free from this temptation to deceive?

We know that precautions are possible with that other dread plague of sheep called "fluke," which has also been upon us. We know that if Sir Daniel Hall had real power, through his county authorities, directed in such a crisis by the Ministry itself and its advisers, he would long ago have procured the adequate drainage of fluke-breeding areas, and the preventive salting of likely spots. He would not have been obliged to circularize and plead, and then fail as we have failed.

Well, we get our cattle and sheep through these dangers in some sort of unsatisfactory way, and the time to turn them into beef and mutton arrives. They have been fed under every conceivable variety of diet, and reach the state of either too fat or too lean, which is the best that we can do. We have to make the best meal we can off them at fancy prices. Where the beef and mutton of commerce during the last years

has come from, I dare not ask: may we never see the like of it again. I do not attribute it to our own acres, even at their worst. But let me quote some sentences from a passage which reached me from the Ministry upon the subject of slaughter when the time comes for that: "It cannot be too widely known that the Ministry of Agriculture is deeply concerned that the slaughter of animals should be humane. Since the Commission sat in 1904, there has been a steady awakening of the public conscience and a definite improvement in our methods of slaughter, but much remains to be done, and the best efforts of the R.S.P.C.A. and the Council of Justice to Animals, to name only two associations that seek to deal with the matter, have not availed to introduce into England the abattoir system which prevails on the Continent and has done so much to make slaughtering humane. We have in our midst to-day thousands of private slaughter-houses over which the supervision is demonstrably unsatisfactory and incomplete, and the Ministry is making a determined effort to impress upon butchers throughout the country the advisability on all grounds of killing by humane methods." The simplest and best method is to take charge of the whole business, under a proper system of county organization.

While I am speaking of this, I may give in connexion with it another illustration of how individualism militates against adequate State production. There has been an agitation in favour of the import of store cattle as contrasted with the bringing in of cattle to the

ports for meat. Lord Lee used these words in 1920 :

"I am not going to argue the case (of imports of store cattle) here again to-day, but I want to give one solemn word of warning to farmers generally. There is, as you know, a very remarkable and regrettable falling off in our herds throughout the country ; the latest returns show an almost sensational drop ; and it is due very largely to the abnormal slaughter of calves that is going on throughout the country. I am aware that there are difficulties in rearing, but this excessive slaughter is primarily the result of tempting prices for veal. . . . If that is continued to a point where there is a shortage of stores so great that our herds cannot be maintained, then there will grow up an irresistible and, I fear, a much more justifiable demand than there is at the present time for importation of store cattle from abroad, with all the risks that that may mean to the health and safety of our herds. Unless, therefore, this indiscriminate slaughter of calves is stopped, and unless there is more breeding and rearing, those who are with me in thinking that store cattle should not be admitted will be selling the pass and destroying their own case."

Lord Lee might have said with equal truth that the farmer had completed the proof of his inability to work for his country without state guidance and organization. It is the system that is bad : the good farmer will welcome state tenures and county management. But with these few illustrations, I have not completed, I have only opened the case.

III *Freehold and Housing*

If we are all to be equal before the law, the State must take the land, or, in other words, if the State is to do the best it can for all of us, it must no longer be hampered by private property in land. I am willing to neglect all discussions as to origins, and to ignore ingenious methods of obtaining the freehold by persuading the electorate to authorize Parliament to secure it in a roundabout but unfair way. The State must pay a reasonable price, but this freehold it must have. And it is, perhaps, just as well to point out here that the valuation should not be based upon rents alone, but upon rent and situation combined. For it is most important in this vast transfer to be scrupulous so to arrange price that the good landlord with his easy rents should not lose money because of his own generosity. It should further be secured that no one should be disturbed in his own residential estate during at least the present owner's lifetime, or a certain term, whichever be the longer. For we have to remember that if in essentials we have inflicted pain or injustice in the name of a better citizenship, we shall, to that extent, have failed. For practical purposes the change should make no difference in comfort or convenience to any except to improve them. The dangers which

state ownership may bring about will be better and more enduring if they come very gradually in those places where it would be most resented and feared.

I need scarcely say that I am thinking of our old and respected dwellers in town and country, not of the moneyed man. Where land is held for the rise ; where it has become the scene of unholy speculation, however great the names may be in the group ; where it is a mere gambling counter, I should give the moneyed man his cash and his bond torn up. But before we turn to the vast designs for betterment of all kinds of which land is the basis, it would be well that all citizens should be given a greater, not a less, pride in their old homes, whatever guidance the State may have to afford in future developments. There is plenty of time before anyone need be disturbed ; plenty to do in that time ; and plenty of improvements to make in those areas where " no birds sing." And when the land is our own, and the landlord has become the tenant, we shall have him as a leader in our social efforts towards the betterment of the whole. The good landlords, with admirable schemes, perhaps, in course of carrying through, or in preparation, will see them taken over by the local authority, and probably made a model for many others which would never be so much as thought of by the bad owner. It is greatly to be desired that even one large landowner should admit the value of nationalization, and then proceed to report upon the wisest way to procure it, and the steps to take upon its accomplishment.

For feelings are becoming embittered upon both sides, and it is to be feared that the extremists in both parties will make themselves heard first. Whereas, if the truth could only be brought home to all of us, it would soon appear without contradiction that a state tenancy carries with it greater benefits, and contains the germs of more amenities, than the best of all our feudal anachronisms. For no man liveth to himself: whatever he can accomplish in the shape of misanthropy, he cannot avoid benefiting by the general rise in standard of the condition of his fellow citizens. And the moneyed man reminds me that he had expected always to make a bit out of the certain rise in values which the common living together in a town involves. That is why he has contented himself with buying and waiting for this rise, and it is very "hard"—he can scarcely say "unjust" or "unfair"—to take away his chances which no one else knows properly how to handle. I can only answer him by saying that we hope to employ his shrewdness to better purpose in other ways. It is true that one man can only use a limited area, and can easily escape from the sad surroundings in which multitudes live. But it is also true that the State has always looked upon such citizens with displeasure, if not with absolute suspicion, and has founded even the most absurd of its tenures upon some useful trait in the tenant's manner of life. In fact, even if it should not be so in law, the misanthrope is looked upon as a traitor in spirit: feudalism with all its vices liked the type least

of all. Give the fellow something to do about the court and he cannot be scheming against us among the hills!

However, whether we can persuade those in possession to discuss the whole problem with us or not, we must go on. We have rails and roads to make, houses, villages, and even towns to design to cover our needs; the drainage, lighting and power for these to arrange as far as conditions and circumstances permit. Is it reasonable at this hour in the world's history to ask such a state as ours—I am only speaking of its Home Rule side—to go, cap in hand, to its own creatures to ask permission to use its own land? Of course I do not object to the State taking off its cap to its own citizens for services rendered and devotion. My argument is merely that in the improvements that are imperative we cannot afford to discuss with anyone his rights over the land; we must go on, day by day, getting the country into some sort of decent order without interruption and with one constant aim—the best interests of the whole. I am not greatly concerned about those huge fines upon the termination of leases which we hear so much about from time to time. The matter there is largely one between moneyed man and moneyed man, and is part of the gamble in land to which I have referred. We may, for a time at least, continue the system under nationalization—the State getting the increment, as it ought to do. But the more important question is the general one of development, and the dreadful areas which supervene, like some disease, upon the

body of the town when the moneyed man has done with an area and has resigned it to his relative, the slum landlord. Nationalization of the land does not mean the state ownership of houses ; but eventually it will probably come to this through the method shown to us by the moneyed man. These leases will have to be bought from the owner, because they are the freehold with certain values for improvement attached. If they are bought at their present value, these improvements will fall in by and by, and the ownership of buildings will follow.

In whatever way the lawyers may work the matter out, it is useless to suppose that the State will be satisfied with owning the sites of miles of slum property. The problem will not be solved by that. The ownership of the site must carry with it the falling in of the building, eventually even in the purchase of freehold, in order that the State and its local authorities may keep the whip hand in all developments. I have no doubt that these authorities will devise early improvement schemes and get rid of slum and landlord at the same time.

We shall, in all probability, have once more brought before us " the magic of property " and the intolerable tyranny of making us all the tenants of the State. It is, therefore, well to remember the fact that very few of us feel the magic of property, and that the majority of us are already the tenants of something much less tolerable than the State—the moneyed man himself. If we were all property owners, and no one was a landlord, if we were all happy under

the system, and had merely from time to time to change houses and bungalows with each other, something might be said for the old régime. But there are so few of us to feel that aspect of the change—an almost negligible number who would be inconvenienced if the transfer came in peace—that this reason can in justice, equity and all reasonableness be quite ignored. If Parliament should carry out land nationalization, that fact will be enough to silence critics. It will also prove that we are getting away from moneyed man rule. We want minimum housing as well as minimum wages, as soon as we can bring it about. It is generally the house that makes the slut, rather than the slut the house : both are affected by the public-house near. The railway, tram and bus, the dwelling-house, and the public-house, are all part of the same problem. The house in a "decayed" neighbourhood, divided into flats or let as rooms, is not the proper dwelling for a workman with children. And if we secure real and comfortable flats, small single or terraced houses, it must be by using new, perhaps distant, land, with adequate, not brutal, transport facilities. It would be useful to apply some of our new psychological tests to the sufferers from the early trains and trams. How can we work this complex problem out, if the land is not our own to deal with to advantage in all these ways? How can we trust the old publican, even after we have restored some sort of decency to the slums themselves? The new public-house is to be a real house of entertainment, to relieve many a jaded housewife from

some of her feeding difficulties, and, generally, to become a wholesome club for an hour in the evening for men and women both.

While battling with the undesirable property which the moneyed man and slum landlord will leave upon our hands, we have an opportunity for studying all the better methods of housing, and producing residences of a new type, either directly or with the help of these valuable housing societies which have been hampered so much recently by prices of every kind. I have never been able to understand why, if co-operation is so useful and beneficent in its many manifestations, the complete co-operation, which is only another name for state or local ownership and management, should be so suspected and disliked by some. If there is ground for such suspicion and dislike, the obvious thing to do in this full co-operation is to work at the problem till these grounds are cleared away. And we cannot clear them away until we adopt the same real businesslike methods as our opponents, the moneyed men. We have the same problems to solve as they have, with greater powers for solving them. In order to avoid bankruptcy, and, on the other hand, "make a pile," they have to keep down wages and keep up prices. We can afford better wages and lower prices in producing the same commodity without loss. But I shall have more to say upon this subject on a later page.

IV Education, the Trade Union and the Guild

THE most dangerous of all the activities which the moneyed man exhibits is his antipathy to education. Uneducated to a dreadful pitch of ignorance himself, he resents the allocation of adequate funds to national instruction. His whole policy tends towards the making of England into one of the most benighted of present-day peoples ; and the only happy fact that remains to us in this connexion is the wonderful one that teachers can be found to do their best for our children without the only incentive in which money believes—a good cash income. Education suffers, therefore, in two ways. Since it requires leisure from active toil, it is necessary to supply money to procure the best teachers of the teachers, and the moneyed man outbids pure education at every point in university affairs. Men can be trained for the posts which money has at its disposal, but the national army of teachers must go ill-paid and ill-equipped. There is something worse to be said even than this. The university can turn out well-educated and charming personalities to fill society with admiration and take up those berths which they assume almost as a matter of course. But, having obtained all the learning that money can give them at the universities,

and entering upon their careers as Civil Servants, landed gentry, clergymen, and the like, they make it their constant amusement to laugh at, and their common practice to sneer at, those schoolmasters and schoolmistresses who have accepted the invitation of the State to teach our youth at a meagre pittance. What are we to do with such a people as this ?

Our only safeguard from such a position lies with the Labour Party. Its wise leaders recognize that the future of our country depends upon education. And they could with justice point out that the policy which would reserve education for a limited class brings about those very dangers which the moneyed man professes to dread. But he is so stupid towards his own real interests as to believe that it is better to put duties on commodities which reach us from abroad, because we have not science enough to make them for ourselves as cheaply as others, than to learn to manufacture them at home by those trained to the work. A few get the benefit under the policy of ignorance, while the multitude suffers from it in every conceivable way. The minds of our people are perishing for lack of adequate education, and their bodies are suffering through the non-application of science and art. And now the marvel is that these very people, who are sneered at because they are not all university men of culture, are demanding in their very ignorance education itself, not for those few who cannot be kept back, but for that great mass which has been too inert to struggle for mental life. Fortunately there

are enough real scholars among us to welcome the new demand, and to co-operate towards the provision of an ever-improving education. The man who grudges education to his fellows, however cultured he may be, is essentially an ignorant citizen.

Is it too much, therefore, to say that in the deeper essentials of life our defence against the moneyed man lies chiefly with organized labour? The danger to "money" has ever lain there, and the moneyed man, the worshipper of mammon, has always felt this "in his bones." Else why have there been so many and such various efforts made to avoid giving to labour its common rights during the past two hundred years? I venture to say boldly at the present time that the majority of those who now in England are discussing the coal miners and railwaymen, the worker on the land and the dock-labourer, with some degree of impatience, would be shocked if they were to learn the methods which were used in the past "to keep the working man in his proper place." The combination laws ought to be described in all their ignominy in the history classes and schools of our time with reiterated emphasis, if only to show that we are not afraid to face facts and learn the sternest lessons of the past, so that we may atone for former deeds by better practice now.

For the modern exemplar of this type of employer shows no improvement in spirit upon his progenitors. And his onslaught at the present time is upon all citizens as well as

upon the worker. And we cannot be quite sure yet that we have passed through the most dangerous crisis of all; for the trust is still trying to bargain with the unions for a joint attack upon the people. In some of the smaller cases I have no doubt they have succeeded. Fortunately, the history of money and its supporters is so recent that Labour still fears its promises. And Labour is prepared to take action with the citizen, rather than against him, if we will allow it to do so. It is of the very greatest importance that the worker should feel the sympathy of the general citizen, both deeply and at once. For we may not always have leaders in the trade unions of so high a character as we have now; and we may lose the benefit of much applied wisdom if prejudice and class strife are allowed to come to the front as they are now permitted to do by those in politics. The colliers, as a body, are smarting under the lack of sympathy which was apparent throughout the recent lock-out, and resent very deeply the way in which the public allowed them to be betrayed after the Sankey Award. But perhaps the next election will restore their confidence in us as citizens anxious to do what is best for the State. It is very important that we should thresh this question out now. And it is not too much to say that Labour has achieved many of its victories simply through the excesses of its opponents from which the country as a whole has recoiled. But is such a method of progress one which a wise electorate can allow to persist? Ought we not to seize the present opportunity,

when so many problems present themselves for solution, of probing to its depths the economic situation? Ought we not to test every suggestion that seems to meet the wants of the times?

One of the most urgent reasons for prompt inquiry into trade unionism, its methods and its needs, as well as its desires, is this. The vast voting power exhibited upon some of the burning questions of the hour is too great to be exerted safely except in urgent cases of national expediency. The trade unions exist primarily for their own particular objects, and it is a phenomenon and an omen, not an everyday occurrence, when this vast multitude of quiet, modest citizens votes as one man in this momentous way. Ignore or gibe at this united voice of workers and you set free all that is restless and disturbing in our social life. For, naturally, if a single personality in a multitude thinks that that multitude has been insulted or deceived, and he has power to sway its vote by eloquent argument, he urges it to take such action as will avenge the insult or procure atonement for the deceit. The statesman of the day will guide such multitude with tact, not goad it into frenzied action; but where have we now such statesmanship outside Labour itself? Therefore it lies with Labour to supply both the driving-power of progress and the wise guidance of organization. It does this at the present time. Will it always be able to supply leaders for itself, as well as statesmen for us all? The Labour Party is jeered at for lack of leadership.

When the leadership comes which these jeers call for, the moneyed man at least will admit how wise the old leaders were.

It is, therefore, imperative that the country as a whole should go into some detail with regard to Labour problems, in order that the trade unions may continue to work towards better general welfare as well as towards the class improvement which the Trust is always offering. Trade unionism has set few objects before itself in the past, and has therefore simply organized in various ways to attain those objects. It cannot be said that organization is yet nearly perfect, or that Labour can afford to neglect that general sympathy and help which it has always received. But it is more than ever important that such support should be tendered to the unions by the general citizen as will prevent that feeling being perpetuated and increased which certain legal decisions and Parliamentary action have induced. For Labour has been working for the citizen in all its struggles with the moneyed man, and fortunately there has always been a Frederic Harrison and a Lord James of Hereford to take the People's side. Trade unionism has secured so much by patience, that the time is ripe now for a wise consideration of all the problems of labour from the national point of view ; and this time must not be allowed to pass without the harvest being reaped. For two dreadful sequels have followed from the war waged between Labour and the moneyed man, and it is our task to cancel them now. The first is a sad disillusion-

ment regarding Parliament itself, the second a doubt as to the Law.

Noting these only at the moment, let me refer to some of the difficulties in its policy which Labour has to face. It has become comparatively easy with trade union organization to pronounce a decision upon some of the larger questions which are at issue. It has been found possible to warn a government in time to deter it from undertaking a rash and dangerous policy. It may have uttered timely warnings which we of the rank and file know nothing of. But the great power of the unions and the weight of their strike weapon make the procedure cumbrous when anything like the niceties of trade and manufacture are concerned. I will glance at only two of these. A great proportion of manufacture is performed by machines, and the Trusts would do still more wonderful things with them, if men and women would consent to become machines too, under Trust manipulation. But thoughtful people, even in Trust operations, have discovered that there is a right method and a wrong one even in turning men into machines. Just as the moneyed man was awkward as well as brutal in his introduction of machinery, and goaded his workpeople into rioting through fear of unemployment, so now there is a certain doubt and misgiving which may be overcome or may breed disputes in the introduction of these psychological methods which are to achieve such wonderful results in the factory.

If the study of the individual worker, as well

as the criticism of the rule of thumb habits which have been tumbled into in the past, lead to (i) increased output ; (ii) better pay and shorter hours ; as well as (iii) less harassing and injurious toil, there seems to be no reason, on the face of it, why such improved methods and individual adaptations should be introduced by the employers any more than by the workers. In fact this study seems to be essentially one for the toiler in every industry. But the tendency seems to be to monopolize this study—which is primarily concerned with the alleviations of Labour itself—by the moneyed man and his entourage, because he can pay for the information first. And yet the object sought for by the moneyed man is to get more for his money, and Labour is therefore finding the cash all the time. The conflict which is upon us comes to this : Is Labour to be consulted as a whole in all these things which vitally concern it, and given ungrudgingly the benefits which may be obtained, or not ?

This conflict is a more insidious thing than that which arose upon the introduction of machinery. A certain proportion of Labour, by making common cause with the Trust in this movement, might be found after a short time to have established one more special class in the State, with interests opposed to those of the vast masses of the People. In my own humble opinion, if this sequel should follow from the psychological study, that part of Labour will have been guilty of great treachery to the rest. This remarkable study can, from its very nature,

apply only to a limited number of workers who are interesting to the moneyed man, but this limited number may have a most important influence upon Labour as a whole. The manual working citizens, disregarding the craftsman who does not come under the scheme, may be roughly divided into three types: The engineer and cotton operative type ; the farm labourer type, with his endless succession of different acts involving both thought and skill ; and the type which carries out a multitude of manual jobs in which but little thought or skill is required. Among these there exist efforts of all sorts. The knowledge of these lies more in the hands of Labour than in those of the capitalist. But the policy of Labour is so to work together that the benefit of one shall be for the benefit of all, and that as far as possible the mere labourer, the hod-carrier, the human beast of burden, shall disappear and become, in however modest a form it may be, a skilled workman in his trade, under ever-improving conditions.

The case of coal is of intense interest in this connexion. Looking at it from first to last, it employs labour reaching from the purest drudgery to the very highest brainwork in the land. In fact, it has appeared that we had to send coal to Germany to get the most out of it, because our own brains were not equal to the task ! From my own point of view the treatment of our coal wealth is a paramount state duty. The most recent and most wonderful discovery in this material at any time is a thing which, if the matter were carried out properly, ought to

inspire even the drudge who was performing the crudest manual work in the mines. The whole organization should be made to run so that these crudities of individual drudgery are ever being removed and the mental capacity of everyone constantly raised.

The second item in trade organization to which I will refer is this. The standardization of parts, which is becoming so uniform and vast a movement, will perhaps be the first general practice to emerge from the rest, and conceivably call for nationalization. The country as a whole is involved in this development, and labour is that which makes it possible. Labour, therefore, ought to be consulted, but is it yet in a position "to speak with the enemy in the gate"? Is trade unionism, without the revived guild organization, sufficient to deal daily and hourly with all our trade needs?

Up to the present the moneyed man has, to the best of his ability, tried to remove from labour all the old craft pride in quality of all kinds. He prefers to keep excellence in his own hands, by means of automatic machines, human and material. Labour has had to fight for money and conditions: the State has had to inspect. The proximity of these three warring elements is a position about as safe as the materials in a munition factory, and is giving the country "nerves." The most immediate act for everyone to combine to bring about, in view of peace and safety, is the establishment of state guilds—guilds for the working of our national property.

So I now come to a very pleasant side of my subject—the guild. Just as in Sydney Smith's time the blessed word Mesopotamia charmed the old lady to tears, and the same name to Mr. Asquith in the House of Commons poured oil upon his fervid patriotism, so to me the word guild casts a spell upon what it denotes. Nothing ever is what it is defined to be ; but that is seldom the fault of the word, and Socialism even may some day be allowed to be what its purport is. The guild, however, must not be judged either by its history, or by the efforts of the present day, altogether and finally, but by its inherent possibilities. Like so many of us, it has never had a chance. I take it to mean something like this : " A fraternity or sisterhood composed of (*a*) experts guiding and teaching, (*b*) those who desire to become experts in any trade, craft or occupation, and carrying on such trade, craft or occupation at the same time."

There has been for many years now a very pronounced feeling in the State generally, that we have been losing something of the old craft spirit, the joy in producing good things. But, of course, it is the old story ; the wrong people have had an innings, methods have got into a rut, and mould and moss grow wherever they get a chance, even over religious affairs, not to speak of business and manufacture. And now there is an uprising in favour of the guild as it could be made : an instrument for humanity to use towards its best ends. There is really something intolerable in the idea of a mere wage-slave, a man or woman paid to make and do

useful things without being expected to partake of the joy of making and doing, or to participate in the named and honoured authorship of the things made and done. I do not know how far the American method of endeavouring to turn men and women into automatic machines has influenced our people in the revolt. But I am devoutly thankful that the revolt has come, and trust that better methods will be born of it even in my own short time.

Now, in every labour that man performs, even when the work is that of a Greek sculptor or an Italian painter, there must be toil and weariness, just as there is in coal-mining or in shunting a goods train. But the glory of the guild idea is that it gives to everyone the spirit of an artist or craftsman, however humble the actual performer may be. The spirit of such service is akin to that which George Herbert defines so well, and I feel sure that he would let me apply his words, not to any dogmatic tenet, but to the Spirit of God which is in every man. The spirit of honourable work affects even the slave and influences him. But the spirit which makes the cleaning of a room a fine action would have to be applied through a large vacuum cleaner society to be a complete guild manifestation. To be members of a true guild we shall all have to feel adequate responsibility for and pride in the operations of that guild. Each member must have the craft spirit, the desire to do the work, not only as well as, but better than, it was ever done before. There must be the sense of proprietorship, even in the humblest member of


LEGISLATIVE LIBRARY

the ideal guild : the sense that in bad work which I may have done in the name of the guild the guild itself has mishandled it.

It therefore follows that expert and apprentice soon become very alert and equally determined to establish what I may perhaps call a national goodwill for their guild. And this goodwill is the property of all, of each in his individual sphere. It will be curious to note how the guild spirit and education act and react upon each other. The dull and automatic, however it may have been originally reached, neither learns nor teaches anything. I do not wish to deny monotony, which in its own way is more troublesome than labour, but in what way soever we attack the problem, we must not permit work of any kind to be deadening either to the mind or the soul. Of course here we have to investigate the different types of human nature, and decide upon a child's future, as far as we can, according to its own characteristics. There are some who need variety more than others—all children need it during school days—and some who willingly carry through a spell of monotonous work in order to enjoy more thoroughly release from it and the resultant mental pleasure.

To one who, like myself, has always turned to Christianity for light and guidance it has been a shock to discover, in the history of our more recent industrial efforts—say from the eighteenth century—a type of Christianity in vogue which I submit was not the real thing. We can trace a kind of teaching which comes to neither more nor less than this : " If you are a slave, or

working under conditions which are worse than slavery from many points of view, bear it and do not revolt." It must have taken some skill and ingenuity to preach and teach this doctrine and call it Christianity. To keep those who were almost babes in the mines and in the mills, and then go to church or chapel as followers of Christ, must have required either a great deal of nerve or no conscience at all. Were not creatures such as this threatened with worse than drowning with a millstone about their necks? Will any sort of dogma allow, or any sort of penance atone for the guilt of, this? Will church-going counteract; will it not rather intensify the gross darkness of spirits such as these? The one and only thing to be said in such a case has been said for us: "They knew not what they did."

The spirit of the guild is the only one which can combine that of non-resistance for ourselves with resistance to the death where others weak and ill-treated are concerned. But even a guild is obliged to remember that fundamental principle of life to which I have referred, the principle that the positive determination to work out something good is superior in every way to the negative one of preventing something evil. The union against wage slavery will be almost useless, will play into the hands of the moneyed man indeed, unless it be combined with a resolution to devise some better system. The mere *non possumus* attitude is a very dangerous one in this respect. The economic laws keep on acting while man lies by and sulks, and this

grotesque situation is sure to arise. The moneyed man will eventually be approached for help and work, and the doles of both which he may then administer—he has been awaiting this happy time !—though even worse than the state which brought about the original decision to revolt, are looked upon as—ah, well-a-day !—Christian deeds ! Do not under any circumstances let the guild minimize the forces with which it has to deal : it pleases the devil hugely to be taken for an angel of light !

The guild will be wise, therefore, having once secured the thing itself—the plan of all working together to a common end—to take words and things as nearly as possible at their usual value, rather than try to invent new words for old ideas. I am speaking, I frankly admit, of the attack which is being made upon wages. The word is a good word, and is not in any way to blame for the enormities—perhaps I should rather say the very little, tiny things—which have been paid under its name, and the absence of comradeship which has supervened. Do not let us give up the name to the moneyed man, for the first thing he will want to do, to please us and serve himself, will be to pay no wages, but to give us for our work cider, tickets at his own stores, " truck," and the like, of which we have had already far too much. Here we come upon the danger hidden in all such methods. The ultimate test, without which the comfort and welfare of none of us is safe, is the absolute guarantee of quality to which money—I do not say gold—and the individual, the person with

cash, each home for itself, can exact as far as such things are attainable at all. The whole matter is so intensely interesting that it is difficult to decide upon the best way to present it. Hitherto, trade has been conducted upon the system that the moneyed man, either alone or in combination, bought his labourer just as he bought his iron or his timber, at a fixed price, and the labour which he bought had no more to do with the financial result—that is, was no more personally interested in the questions of profit or loss—than were the iron or timber themselves. Of course we must recognize that labour has viewed with a great deal of suspicion the idea of becoming a partner in each and every scheme that the moneyed man might devise. It was imperative that the workman should take home some definite sum each week, for who could guarantee the wisdom of every venture, the ability of its promoters, the course of markets, and the adequacy of finance? And if this charge upon all undertakings were not made very secure, who could tell what widespread suffering might not occur over vast areas? There are possibilities that the guild idea itself might be exploited, if great care were not taken, by those who cared little whether it succeeded or failed. To me, therefore, it seems imperative that the introduction of a new system should be made with the utmost caution and under the ægis, so to speak, of our old friend the weekly wage. There must be no risk, in any undertaking, that any home which becomes interested in our new guild experiment shall go without its

minimum in weekly cash. There are ample opportunities of working out the main features of the guild idea without imperilling the children's bread.

A preliminary and fundamental charge called wages for the human beings engaged is the usual system in most undertakings. The bonus, commission or profit is payable after these first charges have been allowed. There is, therefore, no reason why a weekly wage should involve wage-slavery; and there is nothing incompatible with profit-sharing in the allocation of a weekly sum to everyone who works in a factory, whether we call it a guild or not. In working out the guild, then, we want something not only better in a general sense, but safer and more profitable all round. We shall gain nothing by muddling matters, just because the thing denoted by a very good word has been abused.

The objections of trade unionism to profit-sharing have been wise, because such a system prevented the adequate consideration of the wage itself. The only quite safe method of using the system would be under a type of Labour organization analogous to what we are proposing to call the guild. In such a system, if it were not national, the whole undertaking would be the property of those who work it. Manager and clerk, as well as engineer and labourer, all take their respective places in the guild. It is, of course, conceivable that a guild might be formed to deal with the raw material belonging to other people; but it would conform more closely to our usual habits if there were to be

money in the guild to provide all the requisites of the undertaking. Here, then, we should at once, if banks were not national, come up against the moneyed man, and our experiments would probably be vitiated by the doubts and obstacles which he would place in the way of success.

I have raised this point because the guild is wanted, and it is wanted in a connexion which the moneyed man could not control. And if it be worked out in this other direction, it will have established its power in such a way that money of all kinds will have to acknowledge later. We have here in England certain wealth which can only become available after labour has been spent upon it. In fact, coal and metals and the rest can scarcely be called wealth at all until Labour has dug them up. Coal may be useful to burn, but it and iron and clay do not come into their real values until further labour has been expended to make gas or chemicals, cast or wrought articles of metal, bricks and pottery. In fact, the gold itself, which we have been accustomed to use as money to pay for the getting of coal and iron, has itself to lie dead in the earth until labour is found to get, crush, melt and coin it into useful forms. If Labour formed itself into guilds for all these operations, there would be no difficulty about its obtaining a very comfortable living from the moneyed man, if he has survived, while it was producing its coins for him. And if any difficulty did arise, the guild of agriculture would soon step in and feed the labour that was doing this useful work. Indeed, the moneyed man might find some diffi-

culty in disposing of his treasure if Labour "took the hump."

It is of some importance to distinguish between a guild and a trade union. I might point out the difference best perhaps by saying that a guild might be made up of several trade unions, and that the point about the former is that it combines them all towards excellence of craftsmanship, and, therefore, of manufacture, and works for the general benefit of all concerned. In an ordinary industry the various sections and unions may be considered as warring elements, and attention can scarcely be fixed by Labour on excellence of work.

It seems to me, then, that the real guild service should be tried first upon those activities which we are proposing to nationalize. Let me suppose for a moment that we nationalize coal, and form all the workers at present engaged in the industry into a guild. We are then in possession of a going concern for which we are committed to a large payment; and no one proposes to remove that payment from the shoulders of coal. The guild, therefore, has the following duties to perform: (1) To pay off the cost as soon as possible; (2) to purvey coal to the country for all its needs by the wisest methods which it can compass; (3) to exhibit it, the guild, as a society of fellow-workers equally happy in all its grades; (4) to inaugurate a perfect system of craft education, and (5) to keep watch upon housing and the other needs of social life. It is quite obvious that just as there are many grades to work out in coal mining itself, so there will

probably be a series of other guilds, such as the coal chemists, working side by side with the parent guild. The great power-stations whose energy resides in coal will also probably link up as guilds when trade unionism has taken note of the guild idea to the full and worked its details out. I am compelled here to enter a very strong protest against the misrepresentation or ignorance which is rife just now on the subject of nationalization. I have nothing to say about the number of cases in which workers may desire to form unions for their trade purposes. I pass no opinion upon the multitude of guilds which may be found practicable, either as substitutes for, or in co-operation with, the trade unions. But I strongly object to the innuendo or untruth that nationalization is the same thing as the guild, and that it is proposed to apply state action in every direction indiscriminately. True nationalization comes upon the scene only when it seems to be necessary in certain services in the interest of the State, in the best interest ultimately of all the citizens in the State. I do not promise that, after we have successfully solved some of the primary services, no others will appear upon the horizon, that nothing else will follow naturally in the wake of our first successes; but I take it that we shall not as a people desire to concern ourselves with one in five hundred trades, but shall confine ourselves to those which lie, like coal, railways and the land, at the base of all our activities. Banking is a machine which cannot in justice remain in private hands; insurance could be made into a national blessing;

and the drink traffic would be more safely and wisely conducted by the State. One of the things which will loom in the distance, after the foregoing have been taken over, will probably be our great fishing industry; and we may have to provide ourselves with a few ships for national transport, just as we have provided them for national defence.

To come back then to the guild. I will take the agricultural as a typical one, and try to examine some of the work it would have to do, and some of the arrangements it would have to make. Here the thing which I have been pleading for—wages—is fundamental; that first need which we all have to look at whether we like it or not—the means to live. And in this connexion it is desirable to remember relative, as well as positive, rates. In all grades of service the wage-rate must be conditioned by what other trades are paying; the amount cannot be estimated justly, even by our knowledge of what it costs to live. And here much will depend upon the house and garden supplied to him (the worker), and the opportunities afforded for working in the latter.

The work of an agricultural labourer is of a very varied and extremely technical kind. Although his training might appear at first to be the acquirement of knowledge, it leads also to the attainment of a craft. When he is learning to plough he cannot be studying varieties of wheat and how to sow them; when he gets an insight into breeds he is not necessarily doing the same with their appropriate foods;

he may build and he may even thatch a fine stack without necessarily appreciating the exact value of the crop which has been under his hands. The difference between scientific and technical or craft knowledge is more marked than ever since the appearance of the tractor and mechanical appliances. A guild to attend to the interests of this latter section and the workers in it, might reasonably be treated as one branch of the great engineering fraternity. But to do a good deal of the work of a farm by machinery does not reduce those other labours of the farm hand to which I have referred. The demands upon his skill, patience and intelligence are becoming greater every day. So much is this the case, that the guild is an almost necessary sequel to those increasing demands. For it ought to make commonplaces of those things which are as yet rarely used : Milk-records, and the testing of milk in such a way as to test foods for cattle at the same time ; trap-nesting and the innumerable facts there are to learn about poultry ; the avoidance of disease and the eradication of weeds ; the preservation of manure, its application, and the supplementary use of lime and fertilizers.

But the institution of guilds will do much more than raise the average level of our farms to the height of the best. It will bring about that conscientious adherence to sanitary methods and genuine search for quality which must be established if we are to compass success. It is all very well to go past the field of the sluggard and utter moral views about it. We have to make it clear in England that the sluggard

must trek, if he has energy enough for that—we have not room for him here. The guild might cure his sons if we caught them in time. We want no one on the land who does not love it and its work ; we shall soon make them love it for its wonders too. And, if there is to be differentiation in wages to meet the wide differences in quality and quantity of work, this can only be done safely through the grading which the guild itself would have to perform in its efforts towards efficiency in the farming crafts. To make myself intelligible, I must use extreme cases as an illustration. I will suppose that to load, or turn, or lead manure is the lowest rung in the guild ladder, and that the minimum wage is payable for that. I will take it next that to handle milk and treat it with the most exquisite cleanliness, churning it and making butter, or turning it into cheeses of various kinds, is the highest rung of the same ladder, and that a considerably higher rate for the guild degree in these things is payable. The cleanliness in the second case is fairly easy, when perhaps all the arrangements assist in attaining it. But in farming we cannot divide jobs into dirty and clean ones as accurately as we could wish ; indeed, there are reasons against such a division. And a man with all the guild degrees may be carrying manure all day and yet be compelled to milk in the evening, for the cows cannot be kept waiting, and we must establish such a definite routine in cleanliness that it becomes a religion. The cows have to be groomed, the man himself changed as to his clothing and

made perfectly clean in every way before milking begins. Though this is an extreme instance, it would be quite a common one if we obtained the culture that England needs. And unless we obtained the enthusiastic support of our farm hands to the complete idea, it would be idle to push it in a few instances and advertise that the milk from such and such a farm is really clean! And so throughout the piece: the guild, however it may be arranged in practice, and however it may be affiliated with the county schools and colleges, must be made to inspire that professional pride and craft conscience that will revolutionize, not only the things done, but the people doing them.

In this little book, although I have uttered a plea for the guild in our ordinary industrial concerns, I am confining my remarks chiefly to the idea of state guilds, or guilds for the carrying out of nationalization. On the very face of it, therefore, the State itself is the controlling power, and I am suggesting that it should act through a guild which is at once a business organization, an educational institution, and a trade union or unions for those purposes where labour is chiefly concerned. When Mr. Harben, then, demands "*control from below and not from above*," in his pamphlet *Labour and the Land*, he denies the two principles which I have stated above—state and guild control, or state control through a guild. I am not particularly anxious on the subject, because I am quite satisfied that my dear agricultural labourer will not accept control. He knows

too well what is being done by scientific men to usurp their position, though he would jump at the opportunity of following them and helping to work their problems out. Will anyone tell me that Hodge has not been watching the difference between the good farm and the bad, and noting that between the professor and the moneyed man ? I sympathize with Mr. Harben's object, of course, but do not let us spoil the chances of good farming by exaggeration. Control by the labourer as against landowner and farmer, if it could conceivably be worked out, would just add one more case of the swing of the pendulum ; first one might win then the other. We are meanwhile in sore need of one gigantic and united scientific effort. The farm-hand will be our strength in that effort, and his liberation and happy future will be our crowning success in it.

Though the agricultural labourer is the unit in guild affairs, he is by no means the smallest unit that counts in them. The essence of such work is the apprentice, and he has to be shaped and fashioned from the cradle. If I omit the consideration here of the mother, and the child's material welfare, it is not because I am indifferent to them. The guild may very properly deal with such things in a thorough manner. But I was aiming at the thing called education, and this must be attended to long before the farm apprentice appears on the scene.

The guild may influence education in three ways. It may bring its whole collective force to bear upon the methods of giving the needed

instruction to a population scattered over the countryside ; and, to that end, it may insist upon the densely populated helping the remote until density is averaged a little more reasonably. Then it may help to develop an education which will be an untold benefit to the child, whether he stick to the land and pass on to become a guild apprentice, or depart to seek his fortune elsewhere. What that education is exactly to be has become a very difficult problem, which is rendered much more so because we cannot yet secure the best teachers on account of the meanness of our outlook towards education generally. It would be pleasant to imagine a ploughman turning to Virgil as a relaxation from his toil, or the thinner-out of a row of turnips studying in the evening the mystery of osmosis. The shepherd on the moor ought to be one of our most ardent students of astronomy : even if he merely wrote poems on the heavens like David it would be something gained ! But have we nearly yet reached that education which gives the child a love of it ? Can we reach it until we have men and women dotted over the countryside who can guide the child, whether he incline to literature, mathematics or science, into the best path ? It takes little imagination to see that the more we develop our country life the more likely we are to attract the educated minds into our village schools.

If anyone believes that education will come by the mere vote of the agricultural labourer he imagines a vain thing. But he will not be wildly extravagant if he thinks that the guilds as a

whole, the chosen spirits out of all the guilds, can initiate the wisest policy. For the farmers themselves, who are our next care, will have ambitious views about guild education, and will endeavour to fit their children for the highest offices in the movement. And if we obtain this enthusiasm among the farmers, we have got something which will be the possession of the guild system and not of the individualist ; and nothing can prevent the best brains from among the labourers' children sharing in the general advance.

When we pass from the actual farmer and labourer to those who collect the produce and deliver the fertilizers ; to those who make the butter and cheese, grade the eggs and fruit, kill the meat and keep the accounts, we shall have reached a number of subsidiary professions and trades each of which will no doubt be organized for its separate purpose, but each of which also will have the guild spirit and will seek its success.

Lastly, we reach those who are in a sense the most important of all—though in guild economy relative *importance* is forgotten as much as possible—the managers, experts and professors. Hitherto the personage called manager has been a pure individualist, coming, like that bird in the old story, we know not whence, and going we know not whither. His chief attribute has been a certain brutality or tyranny—the " if you don't like it, you can lump it " method—and it is largely against this being that the guild is raising its head. The strike has been indirectly

of his creation—" induced," to use an electrical term—and the sweated wage has been his tool. Individualism has welcomed him with avidity ; it has taken shares in all his undertakings ; it has grown to love his vices, and to think that their future is safe in his hands. Judging from history the individualist has been right, and the history that is to be written must record a change. For all this time his ignorance has only been outstripped by his insolence, and his hour has come. His coadjutor in all our troubles has been the bureaucrat. These two supplement each other to perfection ; it is almost as if one had worked blindfold for the other all the time. The brutalities of the one have made possible the red tape of the other, and the futility of the latter is the excuse which the moneyed man gives for urging the former on in his most disgraceful work.

The manager of the future will be of another type. He will know better how to bless than how to curse, how to encourage rather than how to threaten. He will depend upon two tests, quality and figures ; for the former he will rely upon the scientific expert, for the latter upon himself. He will watch over the operations of the depot, and see that proper accounts are kept of every movement there. So many managers will be required that it may indeed be worth while to institute special education for them, as Lord Haldane says, but such education will have to be on very general lines. For the same man might have to choose between coal, railways and the land, although the last-named is the most ill-provided now. This

manager will not be the expert with a technical education, but he will be the business head to carry out what the country, first, then the professor, and then the expert have decided on. The difference may perhaps be indicated by the well-known fact that our most learned professors are not used in organized education, except very sparingly. Learned but practical men, with a special aptitude for organization, are chosen for the posts.

The experts will have to be trained as fast as we can manage it. The Ministry of Agriculture has been working at the problem bravely for some time. How the members of a Ministry can labour at the problem, and then be content to sit down with individualism rampant round them, passes my comprehension. To teach what very few will carry out requires special reasons to explain. The system of land tenure with which we are afflicted is their best excuse.

To the universities, their professors and assistants, we have merely to afford a fair field and invoke their blessing. From the nature of the case they cannot be of the guilds : they can only be the advisers of their operations. Somehow, through the centuries, and in spite of the snobbery in those centuries, the universities have retained the confidence of the people, for pure knowledge knows no rank. Upon the labours, then, of these patient, learned and ever-learning students everything in the end depends. And not only will national and guild transactions be based upon their findings, but the race of experts who are to carry out those findings will

have to go through the schools which the professors rule, and obtain the university *imprimatur* before going out to their work. The idea of education must be burnt into the very soul of the guild, from expert through apprentice down to the very humblest member of it ; and those in charge will find a hundred ways of interesting those who wear the badge.

If I now use the expression *ad hoc*, it is not to revive educational strife. I take it merely to express the opinion that in any state services which we may inaugurate it is essential that they should be separated from Whitehall, and even from Westminster, from the bureaucratic influence which is deprecated on all hands. But I do not wish to be taken as criticizing adversely, for instance, the Ministry of Agriculture. It has in a very game fashion tried to do the impossible, and its failure is no reflection upon the body of men who have devoted themselves to the land. It is the old story of piping when none would dance ; ought I to go as far as to say, the equally old story of casting pearls before swine ? With the voluntaryism and individualism with which it prefers to do business, no results could have been achieved of moment. There will probably have to be a Ministry still for certain purposes, but while it is at present almost retarding true state action—no minister has ever proposed such a thing—it is impossible for those who are pining for better things to forget its general obstructive blight when viewing the mild virtues of the department. And it was most painful to feel that the activities of the A.O.S., which

had really become quite a charge upon the State, were directed towards the prevention of, rather than the introduction to, full national working. When we do get into harness we shall have to " bleed the department white " of its excellent staff, the members of which will be required to set the ball rolling throughout the counties, if I may use a mixture of metaphors in the case. But, in the meantime, if anyone in office were to breath the word nationalization, and endeavour to sketch the future of it in actual geographical terms of valley and other units, and simple architectural drawings of a district depot, I fear he would be looked upon as a traitor in the camp, so deeply entrenched is the old régime on the hill-top. I hope Sir Daniel Hall will forgive me if I say again here that his gallant efforts towards scientific farming have become the *reductio ad absurdum* of the present system.

But the impossibility of developing State farming out of the enthusiasm for it of the Ministry itself is not the only difficulty. For though there may always be needed for certain purposes a department such as this is, the actual management and working of the land must be separated from it as decidedly as a municipality is divided from the Government in all its daily doings. It will be difficult to frame the mandate to the counties, but it will have to come to this :

An *ad hoc* body or bodies will have to be appointed to provide transport and depots for collecting and selling the produce ; to elaborate a system of rotations in which as much wheat as possible would be grown ; to control the breeding

of every kind of stock, and its adequate preparation for the market; and to attend to the collection, manufacture, storage and grading of all the produce obtained.

It will be obvious to the least observant that an authority of this kind cannot be allowed to become the prey of political party conflict. We cannot permit the scientific guides or the experienced business men in such an undertaking to be subjected to any test but that of learning, efficiency and character.

It may be necessary to submit appointments to the sanction of the Ministry until the undertaking is in thorough working order, but I will return to this point later. Eventually there will be no more difficulty in getting the best men for the highest permanent offices than there is in any other part of the kingdom's work.

It might be necessary, too, to empower the Ministry to step in if local obstinacy should prevent the full production of food. And in all these questions the support and enthusiastic help of those people of whom I have often spoken, the landed gentry, will make all the difference. With their support we can achieve a splendid condition of farming everywhere, not merely upon a few model farms. For have we not in England and Scotland farms and breeders that the world comes to see? With their opposition we shall secure a large measure of smallholding and allotment, and nationalization will then mean a bitter attack upon luxurious pleasure-houses, led by the ignorant and, perhaps, starving—a limited revolution, in fact. I should

be a fool to minimize the dangers and difficulties that are before us, but those in power seem to me to be in a fool's paradise. The Labour Party is in no such condition ; it is aiming at a better life for all who dwell in the State. And it desires above all things to bring changes about with as little dislocation as possible. I believe, therefore, that it will welcome a reasonable proposal, such as I am suggesting, from those to whom I am appealing. And I therefore ask again : Will they voluntarily agree to hold their estates, upon receipt of their values in land stock, as tenants of the State ; will they help to eliminate, as Lord Ernle began to eliminate, the farmer who hinders due production from the land ; will they join the committees, if invited, to devise the wisest measures for state farming, assist in fixing the details of the necessary units, their transport service, their depots, their staff, and their programmes ? Will they help to inaugurate the new departure which will bring freedom, not only to the tenant farmer, but to the labourer whose hour of emancipation has come ? An Englishman at least knows that it is a greater honour, and at the same time a greater feat to lead an army of free men than one of serfs. In spite of much history, here at home we can see the love of freedom struggling through our efforts ; and sometimes the love of freedom has included others as well as ourselves. In time the serfdom of the land would have infected the landowner ; in fact, it has infected many of them, to the nation's loss. When the time comes for a radical change, it will not be the

labourer only who will reap the benefit. Freedom blesses him who gives as well as him who takes. But the leaders of the new labourers will have to be men of mark.

Again, in this connexion, " the love of money and the love of learning rarely meet." The pick of the landed gentry, to whom I look for much, are not moneyed men in the sense which I have described. They object to the sordid in all its forms ; and the arts of husbandry, the knowledge of beast and bird, of tree and flower—these are all parts of what to them is best in books. The new learning is largely founded upon what is found in the open air. Chemistry may turn to coal and iron, but the miracles of the munition factory cannot rival for interest and excitement the researches of science in farm life. The love of learning from its very ignorance of cash has sometimes to look with a pathetic yearning towards that money which would do so much for science and the betterment of man. But, though the millionaire may help at times, the only steady and certain security we can have for the financial assistance which progress needs will be found in the State itself.

The *ad hoc* authority, or authorities, for mining of various kinds, will be easier to establish than that for farming. The area is circumscribed ; the product is more concentrated, though in the case of coal it may be split up into such manifold forms. Just as we ask the landowner to become a state tenant, and civil servant if his attainments warrant it, so in some of the smaller mining industries the present owners, or occupiers

would be the natural managers under the new régime. Some of the smaller mines present a very interesting national problem. They do not seem to be succeeding, and might at any time, perhaps, be ruined by Free Trade. The deserted mines which are visible in many parts of the country add a striking commentary upon present-day difficulties. And that commentary would receive some appropriate footnotes from the history of the last century and a half. I wonder if we had to live again the years of that time we should spend them as before in combination laws and the rest? When machinery came in to do the spinners' and the weavers' work we had no resource but starvation wages for the pacific surplus, and the press-gang for the turbulent. Could we find a press-gang at the present day? I suppose that from among the profiteers we could. The Members of Parliament, if judged by their industrial records, from Pitt to Wilberforce, could be described only as brutal tyrants. No management, no pity, no justice, and no effort, either to find alternative work or to scrutinize the capitalists' action. Everything had to find its own level, through chaos, misery and destruction, in the Melbourne age. The commanding officers, sent to quell, were often the most reasonable persons involved. I saw the expiring years of this black age myself. The dock labourer in my youth had still to beg for a stray job, and the warehouseman—indifferent or too ignorant to care as to what misery it involved—would have been shocked if he had been told not to expect a large surplus of

able-bodied workers to await his convenience. The mouths of the big manufacturers were still uttering platitudes upon child labour and such enormities. Political reform often hid—I wonder if sometimes it was really meant to hide?—forgetfulness of, and indifference to, social ones. Psalm singing, combined with the inculcation of pious submission to sweating conditions, was still in vogue; and I can remember the wonder and doubt which attended those wise employers who resolutely set themselves towards better things. Superstition and the insanitary walked arm-in-arm.

Without the Labour policy we cannot meet the new conditions as they arise, for the methods of the last hundred and fifty years will be tolerated no more. And some of our mines will perhaps afford a test case for sounder principles and better methods. It is as stupid to leave our good ores unused in the earth as it is to neglect the adequate farming of our own soil. Under present conditions I will put it that it does not pay to bring out the ores. Free Trade can bring similar ones over at a lower price for various reasons, and the result is that wages are reduced, or the population finds better work elsewhere. The question then arises as to whether we as a people are content to leave the matter there? I contend that no good and useful article that our land contains should remain unused, especially when all the machinery exists for its recovery, whatever price Free Trade may be charging for that article. If ordinary capitalism is bankrupt at this particular spot,

let us pay it out by some charitable contribution and set to work ourselves. We have then accomplished three desirable things. We employ the old labour, which perhaps would be deeply grieved to move, and indeed add to it by treating the output on the spot ; we can obtain supplies for state purposes at something like the cost of getting them, for we shall require no long-headed manager to watch the market ; and we can produce something to test continually Free Trade prices by, and keep them within reasonable limits. The character of competitive markets is in some cases astounding, but there is often a method in its madness which a state only can counter with effect. As in the case of the sugar bounties, the cheap article is only a means to an end, not a genuine economic fact, and the utter destruction of the competitor, in that case the sugar cane, is that simple end, with a millennium of dear products, in that case beet sugar, to repay the cost. Bounties to the suffering mine-owner, and duties on the overseas ores, are equally objectionable, and would lead to unending bickerings under both heads. Let us pay the former out, as I have said, if he has any claim, and let us leave Free Trade alone : we can use the wealth to good purpose when we are free from speculator, contractor and shipping combine alike. There are plenty of experts who would be only too glad to show Free Trade what can be done at home by the right man using the right means. But, as to this management, I only claim that it must be free from all outside interference in its detailed working. It

must be scientific, not political : it must be run by the expert, not the party man in Whitehall. I call the management an *ad hoc* service, but I do not dictate as to whether the smaller mines should be looked upon as national services, like the Army and Navy, or county undertakings. The coal mines are too big for any management but that of the State, and iron probably should follow coal. But the counties will in any case be creditors for definite rates within their territories wherever the final management may rest.

I cannot avoid at this point both deploring the loss of, and making thankful reference to, *The New Europe*, and an article in it (No. 192) entitled " The League's Equipment." It gives the other side of the moneyed man picture with wonderful grace and emphasis, the side of the undeveloped countries which unbridled Free Trade would rifle of their stores.

" The nineteenth century," the author says, " is full of sad cases in which citizens of highly civilized nations, themselves quite honourable and respectable men at home, have made huge fortunes abroad by the wholesale corruption of younger or less developed countries, and have repaid the victims with moral contempt for their political and moral backwardness. The lesson is not yet learnt that in the commerce of consciences the buyer is guiltier and more corrupted than the seller. . . .

" The full development of a nation demands that there should be within its frontiers the maximum possible variety of production for its

own sake. The theory which will specialize the production of each country to those goods for which it is best suited by nature is mischievous and shortsighted. It is mischievous because it will impoverish the national life and even in some cases seriously endanger it. Thus, in England, it would kill agriculture, and in Spain it would kill industry. Again, if we are to follow this human principle, we must accept as its consequence, that nations as well as men must work for service and not for profit."

Transport service must unquestionably be national where it lies outside self-contained county and municipal undertakings. But it will be a national misfortune if any political influence is ever allowed to interfere with absolute tyranny in management for the general good. There must be, I presume, some spokesman in Parliament since we have become used to a Postmaster-General. And yet this case which has come into my argument by accident almost proves my contention if we examine recent occurrences. Could anything have been more unfortunate than the late party management of our postal and telephone services? It may have been hoped that the illustration would make the word "nationalization" to become offensive. But neither the founder of the service nor the Labour Party of to-day can be taken as considering this action as other than a travesty of the real thing. The moneyed influence has attempted to secure money at the expense of service and has failed.

It is easy to see why the moneyed man desires individualism, and hates national ownership and control. With his bit of money he can bargain for his own comforts and precedence in a way that he could not do with a state undertaking. He will place one railway against another in the race to London, for instance, and will ignore, and cause to be ignored, all the claims of convenience and trade requirements in the remoter districts which require, so to speak, resettling. Here we have been in another of our vicious circles. Individualism has given certain districts no convenient transport of any kind, because the population did not seem to warrant it; and then, because there were no conveniences of transport, population could not, of course, settle in them. Agriculture, too, has suffered in an extreme form—for the daily products could not be gathered, and the daily needs could not be supplied. It will have to decide between a system which considers the interests even of little children and their schools, and that other thing which, looking upon our beloved valleys with the greedy eyes of the misanthrope and moneyed man combined, creates a desert and calls it peace. When the war came we saw this miscreant as he was, this being who left miles of good land desolate to provide a few weeks' annual sport. Are we going to allow him to creep back to his unnatural haunts? Adequate transport is the best cure we can prescribe for evils such as this.

The subject of sport has in the past divided the people in two different ways. Feudalism has

caused the division between sportsman and citizen to which I have so often referred, a division which may almost be described as a choice between the pleasure of a few and the food of the many. But there has also been caused by this system an internecine strife between the gamekeeper and the poacher, between those who have and those who have not.

Under these two influences there have grown up two types of sport which present the whole subject in its most interesting light. The contest between man and other animals for food has necessitated sport from the earliest times. Man had not only to kill the game he wished to eat, but he had also to kill that other game which wished to eat it too. The big game shooters of the present day are a survival of an old necessity ; and the fox-hunter presents, as it were, a picture of primitive man in a glass case. Man has become so far victorious in the strife with other animals that he has presumed to libel his antagonists under the name of vermin. And having secured the adhesion of certain groups of animal and bird life to his selfish objects, he has encouraged them to prey upon those other vermin which are distasteful to him.

The risks which attend sport in its unbridled and selfish ignorance are akin to that which attends the hungry farmer who eats up all next year's seeds. Two passages from Mr. Osgood Mackenzie's *A Hundred Years in the Highlands* (Arnold) will show to some extent what I mean.

" The Lews," he says (p. 104), " was a wonder-

fully sporting island in those days. A connexion of mine, a Captain Frederick Trotter, used to get as many as twelve hundred brace at Soval, besides endless snipe and golden plovers, while hundreds of woodcock used to be shot out on the open moor over dogs in the winter. And now, as on the opposite mainland, game is nearly extinct. . . . (p. 122). I see by my game-book that one year—in 1868—I got 99½ brace of grouse off the crofter's hill ground, 60 brace off Isle Ewe, and 30 brace off the small Inveran farm; and my total in that year was 1,314 grouse, 33 black game, 49 partridges, 110 golden plovers, 35 wild ducks, 53 snipe, 91 blue-rock pigeons, 184 hares, without mentioning geese, teal, ptarmigan and roe, etc., a total of 1,900 head. In other seasons I got sometimes as many as 96 partridges, 106 snipe, and 95 woodcock. Now so many of these good beasts and birds are either quite extinct or on the very verge of becoming so. I wish I had kept a regular diary in addition to a game-book, because I saw and did many things connected with sport and natural history which would have been well worth recording."

It would take a book as long as Mr. Mackenzie's own to deal with all the questions involved in passages like these. And it would require an eminent naturalist to write it, if it were to be of service to us all. For a multitude of very important questions are bound up with this game-book, in which the whole nation is concerned. If we could spare liberal tracts of our wild country

for the encouragement of sport such as Mr. Mackenzie describes, we should very soon want to know why the wild-fowl and the hares had disappeared. If the eagles should leave a district entirely, we have, as a people, sufficient naturalist instinct to wish to know why, and sportsmanlike leanings enough to surmise that the absence of the wild hunter might possibly be connected with the scarcity of its prey.

The fox and the otter, the weasel, stoat and wild-cat, the hawk and the crow, might easily be exterminated here as the wolf was. Are we prepared to carry out a war of extermination, or is there a middle way more beneficial to the State than that extreme course? There is always such a risk that the thoughtless destruction of one pest or type of vermin may result in the increase of some other even more troublesome creature that was being kept down. If there is such middle way, the first demand to be made in the carrying of it out would be that the gamekeeper must be turned into the naturalist at once.

On the mainland there will be in future very limited areas available for deer-stalking and kindred pursuits. But it is quite possible that facilities might be provided in the sparsely settled islands for sport of a perfect kind. When I speak of facilities, I mean that the State could engineer better access to these recondite spots for those whose pleasures are not dependent upon the very difficulties I would surmount; better sport when the citizens arrive; and an altogether better living for the inhabitants who

have hitherto been often driven to dire straits. A living in some places has been secured by the search for eggs and wild fowl ; and in future the naturalist might establish homes for the rarer species, and sportsmanlike pleasures under his direction for the finer spirits in holiday times. Sport and the study of natural history can be perfectly combined, but the baser spirits would be better warned off from these occupations, and kept amused by the shivering of glass balls.

Fox hunting will require great care and ingenuity almost, if we are to preserve the perfect exercise and training it yields while avoiding the destruction of intensive culture and the spoiling of hen-roosts. Fortunately, the fox-hunter himself can be relied on to solve the problem if he is asked to do so in the national interest. Seidlitz and Ziethen used, if I remember rightly, to take their mounted troops over boulder-sprinkled country in training them for the wars. We can surely find enough of such country to satisfy hard riders, without spoiling much of the pasture of sheep.

If in pursuit of ordinary game we keep the requirements of complete agriculture before us, we shall probably find that, though these battues disappear, there will become a more general interest in a limited allowance of animal and bird, and that the grand total will be equal to the present sum. The attack upon " vermin " must be directed by the naturalist, so that we may preserve species which are becoming rare, and yet reduce to virtual impotence the destructive pests.

It is necessary to keep on repeating the plea for pure, well-stocked rivers, so that every child may become an angler, and every cottage may taste fresh fish sometimes.

It appears then that if the guild idea is to be studied and worked out into an educational and social agency, there will be required a reasonable amount of time, and, consequently, the call for direct action will not seem so urgent. It is probable that a miners' guild, for instance, would add to the power of a miners' federation, and nationalization would become easier with guild help.

But there is no practical reason in the meantime for keeping silence upon this question of direct action. Mr. Thomas and Mr. Clynes both deprecate it, but they do so in such a way that one is driven to the conclusion that their opinion is that, though it may be lawful, it is not at present expedient. In general, where Mr. Thomas and Mr. Clynes lead one may safely follow, but the same may be said of Mr. Smillie, who would, I believe, admit direct action. I will, therefore, turn to one of our professors for guidance on this subject—to Mr. Harry Jones, of Leeds University.

In *Social Economics* (p. 155) he hints that direct action is to be classed under " revolutionary " thought and action, and on p. 172 he defines it as " the employment of the industrial weapon for political purposes." But surely no one suggests, and Mr. Justice Sankey would have pointed out the fact if it had been there, that the miners have a *political* purpose in view by

their threat to strike for nationalization. If they had struck against Lord Gainford to secure Lord Rhondda, would that have been political? Their object, surely, is an industrial one, and will not affect the politics of the miner to any great extent. It is conceivable that prompt action by Mr. Lloyd George in the direction of carrying out Mr. Justice Sankey's pronouncement might have obtained for him at the next election a few miners' votes. But I doubt it, seeing that in Ireland, in Russia and elsewhere, he profoundly offended their sense of wisdom and right. The action of Labour towards the political questions of Ireland and Russia is upon a footing quite different from that action in their own trades. If nothing is to be done that the majority in Parliament disapproves of, why were we charged 5–5¾% in the city instead of 4% for our loans? You must not tell me even in a whisper that Parliament *wished* to pay these fancy prices for money. Would not that have been worse than an improper attitude in the city—a political strike in favour of dear money at such a time and for so great an amount? And I must ask this—if the miner is precluded from direct action *because it is political action*, why was the political action allowed on the other side which stultified all Mr. Justice Sankey's recommendations? What happened on the side of the moneyed man to stop the nationalization which we all expected? I hope that no political threats were uttered against Mr. Lloyd George!

Look at it from another point of view. Here are a million miners who say openly, with one

voice, that they want for many reasons, chief of which is the general good, to work for the State rather than for private persons: they are prepared to refuse to sell their work to private people any longer. Here, on the other hand, are certain persons in the city who refuse to take the market price for their work—the obtaining of money rather than coal—but who did not say so openly or after an open discussion and vote, but secretly by whispers one to another decide against the State. The first case has no bearing upon votes, it is an industrial threat such as might occur on the Mersey or the Thames at any time. It so happens that the present holders of office object to the miners' ideal, and they ought to show us by valid reasons that it is reason not interest that influences them. The second case is more important still from the side of the country's interest, for it involves money itself, the purchasing power of all goods. The threat to prevent this money being obtained is surely just of the type or character as the mining suggestion of direct action, and the argument appears to me to be this: *If the Government acted as we all take for granted it would act*, the issue of our loans at 1–1¾% more than the market price could only have been agreed to under dire threats of failure, and such threats were in every way worse than that of the miners, for, instead of the multitude of good reasons which actuate the latter, there can have been no reason for the city's action but pure unadulterated greed.

I return to Professor Jones, and to be quite

fair to him I will quote the whole passage on this point.

" In spite," he says, " of its serious consequences, a strike for higher wages and a shorter working day would have resembled an ordinary industrial strike. But a strike to compel nationalization would have been essentially a political strike. In essence the claim of the miners' leaders was that the attitude of the Government towards each industry should be determined, not by the will of the community, but by the desire, at the moment, of the majority of the workers in the industry. If postal employees wanted the post office denationalized it should be surrendered to private control. The community as a whole had no say in a matter of this kind : its own wishes were merely irrelevant. It is clear that a Government under such conditions would be impossible."

The last is the sentence which I like best from the humorous point of view. To leave everything in the hands of government to do just as it thought best, so long as it did it itself, would make government impossible ! The miners say that the coal cannot be worked to advantage in private hands—and who can know better than they do ?—and that they will co-operate with the Government towards the best ends. Surely that does not make government impossible, but much easier, for all the trouble at present is due to the unnatural ownership. No one compels a miner to go down into the bowels of the earth ; the

community has no right or power to do so. He might become a steel worker, or a soldier, or one of our brave navy men, or a sailor and fisherman in preference, and then Lord Gainford and his colleagues would naturally of course secure a quite new set of men who cared nothing for the mother state but only for the moneyed man's money bags! But if England is the mother of these men, she can surely bear some of the perhaps too boisterous affection of her children, just as nature in all her manifestations does.

But Mr. Jones sees no difference between the claim or plea for State ownership and control, and that for freedom to do what one likes with one's own. And I am not sorry that he has brought this distinction up, although he ignores it at the same time. If the miners once obtain nationalization for us, it will be for all time. There will be no going back, just as there is no going back in the cases of the Navy, the Army, and the post office, and education. The claim of the miners for the change is based upon its finality, and all our other claims for nationalization besides mining—land and agriculture, banks, transport, and the public-house—are founded upon the same principle of ownership by the community once for all. There may be changes or developments in management under guild guidance, but such changes will only emphasize the State's anxiety for the general good. I may be an optimist for saying this, seeing what anxiety for the general good we are spectators of at the present time. But I fear that some of

us are convinced that "the general good" means their survival as at present, the working classes existing as in the past, without putting out their horns and giving trouble to their governors.

Why was the Plimsoll line introduced; why are inspectors by the hundred thrusting their eyes, ears and noses into a multitude of things which are not their business at all? The miners say that inspection is not management, and if they go down the mines they want to go as members of the Navy, Army and post office go to their work, under the direct eye of the State itself. Those of us who support the miner add that for many reasons the wealth of the State as well as the lives of its children in this dangerous occupation should be definitely in State hands, so that there may be no question about the general good in all operations. To use direct action to attain the end of nationalization is very serious for the miner, whose existence is at stake. But it is also serious for the citizen, whose comfort and well-being are almost equally risked. Can the owners secure an alternative million of blacklegs who disagree with the present miners, and who are prepared to go down and send the coal up? The case is, as I have said, an industrial not a political one, and this fact is emphasized in all the miners' suggestions. They do not wish to be subject to the influence of politics, but to become a scientific national agency. The politicians take this ridiculous view: they say that the matter must not be made political, and yet they use every political

device to prevent its being conducted to its appointed end by economic forces alone! If the miners will not work, or will work only at wages that are very high, for the present owners, why should politics interfere?

The recent lock-out has to some extent obscured the real question of ownership; it was an ordinary fight about wages, pure and simple, the time being chosen with deadly ingenuity by the moneyed man. I am not sure that it will not have taught some lessons to the politician—we shall see. But that which we ought all to see now that temporary quiet reigns, is this: The interests of the miners themselves are served least by direct action against a government which sympathizes with the individualist, because if they succeeded, the measure of nationalization which would be produced would be a half-measure—one calculated to cause all sorts of uncertainties, difficulties and strife. If Mr. Jones will consider the case, he will admit that direct action by miners at the present moment against the Government could not occur, because, upon their own showing, they have nothing to do with the matter; the mines belong to anyone rather than to the State. Why, then, preach about it as about an injury to, or attack upon, the State? And yet it was put about that a strike upon Mr. Justice Sankey's award would have been political action emanating from groups of the Soviet type in substitution of Parliamentary government. The miners were scrupulous to declare that their action was not, and had not beneath it, a political object. It merely represented one

of the sickening cases of hardship brought about by the moneyed man.

Mr. Jones might at least have discussed direct action in its true aspect. There is no question but that it is a purely economic weapon of revolt against certain conditions of life. But to use it while an unsympathetic government is in office is unwise, because it prevents the kindly national consideration of the problem which it must have if it is to succeed. And it enables a false impression to be given to the citizens, as was recently done, that a new form of anti-parliamentary government was being proclaimed. Mr. Jones will surely admit a difference between coal and the United Metropolitan Improved Hot Muffin and Crumpet Baking and Punctual Delivery Company, Limited. The miner, whatever may be his religious tenets, whatever may be his politics, whatever taste he may have in clothes, and however he may view total abstinence from intoxicating liquors, discharges work which in its very nature is national work. If we were not an utterly illogical people we should see that the nation never could seriously believe that its coal was private property. If such ideas prevailed to our great prejudice in matters such as our land and minerals, our transport and our agriculture, we should be better off under a permanent edition of Dora ; for then we could keep control of the output and management of fundamentals. It is useless for opponents of the miners' view to bring to the bar of England the plea that muffins and crumpets also desire to be made compulsory and national. If they

could prove that we all have some absurd notion that we desire to see nationalized, this would not remove the overwhelming claims of coal. If the muffin is ever to be state purveyed, it will only be after the bigger things have been dealt with. But in reality the nationalization of coal would make the prospect in the same direction dim for the muffineers. For the basis for the nationalization of minerals lies in the fact that all users of them will benefit ; and of national farming that all consumers of land produce will benefit too. The muffin society on its old basis, therefore, will flourish more completely under state farming and national coals than ever before, for it will get its flour both better and cheaper, and its coal for the oven more promptly and at a lower price ; the new transport service will keep the muffins hot. The United Metropolitan Improved Hot Muffin and Crumpet Baking and Punctual Delivery Company, Limited, must look therefore to the guild for any further help it may require.

V *Red Tape and the Political Position*

The chief objection that is raised to state ownership and management, by those who are not directly interested in preventing them, is based upon a very natural distaste for what is called bureaucracy or red tape. Of course, bureaucracy is not the same thing as red tape. I do not think that we have ever had in England genuine bureaucracy which involves for its perfection the continental autocrat. We might have secured it, perhaps, under the Stuarts if Cromwell and his Ironsides had been more reasonable. But it is a fine word to use for glorified red tape, or unreasoning, unintelligent routine. Everyone objects to red tape since the time of Dickens, and it seems to me very probable that the Labour Party would lead the van in expressing a loathing of it. Lord Haldane has admitted the great consumption of red tape, and tells us roundly that we shall have to train men and women for the national work before us. This may be so ; but I would go a step further than Lord Haldane—" fools rush in "—and say that even without the special training he suggests, which may be believed by some to form another reel of red tape, we can get the men if we make up our minds to pay them upon the proper scale. We can get men as good as, or better than, the

capitalist can, but it will have to be understood at the outset that our national properties, and the management of them, must be removed from the political arena, and made into purely scientific concerns. The better the man the less will he play into the hands of the politician, or allow himself to be exploited for political reasons. It will be noted that in these remarks I take for granted that real education is the one panacea for red tape.

The skilful organization of positive business is the alternative to the red tape of preventive measures. The fundamental difference between the two systems is that in organization all activities work towards the same end—efficiency ; in prevention, from the very nature of the case, there is friction, not in one direction, but in all. Where each one does as he likes with his own—on the land, for instance—subject to state interference, the interests of state, landowner, farmer and labourer, all differ from, and clash with, each other. In true scientific organization there is no reason why everyone concerned should not benefit from the efficiency secured. Of course, it must be understood that the highest good is sought, and that production rather than fox-hunting is the end in view. But I have urged that the landowner himself may accept the new conditions with benefit both to himself and to the State. Reasonable sport itself will not be killed by due organization ; in my humble opinion, real skill in that direction is more likely to have its chance.

In those national undertakings which we are

seeking more immediately to bring about, the chief causes of red tape will be absent. The great antidote to inspector and report is a good commercial account audited in the usual way by experts. There is no reason why all the fine book-keeping which is applied in any of the undertakings which we seek to nationalize should be altered ; it will only be necessary to apply the method of the best cases all round. There is nothing which can be called book-keeping applied to the great mass of agriculture at present. When we adopt figures as in banks and railways, we shall gradually find that the need for inspectors, even of tuberculous cattle, will disappear, and foot and mouth disease will be stamped out on its first hint. Energetic management for its own purposes will eradicate the unfit. Prizes at the county shows will replace the summons and the order to destroy.

It is apparently an axiom with the moneyed man and with that large class which he influences in the constituencies—those " with a stake in the country "—that national services should be confined to a general and moral profit, and should never be allowed to make a good cash one. We seem to have no objection to nationalize anything which leaves a loss. The Navy and Army provide appropriate if not highly paid billets, and no money-maker is dispossessed ; we have, indeed, contractors even there. But why should Parliament abolish purchase in the Army and still leave it in our precious land ? Perhaps we might do better by letting out our safety from the Kaiser to contractors or to some insurance

ring, and depend upon some whimsical free trade in arms? Education is all loss, so we have no anxiety except to limit that loss as far as we can by preserving classes of sixty and reducing the art of teaching to a sham. The post office should now at last be satisfactory to this class of mind, for its good profits seem almost to have disappeared with the attempt to curtail its usefulness. There must have been some truth in that "nation of shopkeepers" idea, and the "taking in of each other's washing" scheme! A profit by ourselves and for ourselves—preposterous! So red-tape ideas persist.

The arguments against public ownership and management are largely presented to us by those who are interested in preserving the existing system, and in the chaos which has supervened after the war illustrations to prove the evil of "control" are not difficult to procure. For have we not been using, in our war imitations of state service, the very class which desires failure rather than success, supplemented by the simply ignorant, who know nothing but routine. Has the Labour voice been heard? The outrages have been so great and so numerous that it has almost come to this in the Labour world: "Whether state ownership and management are beneficial or not," it thinks, "and no amount of argument will convince you on this question, as the sequel to Mr. Justice Sankey's award proves; it is time that nationalization should be begun and carried on by real believers in it; for we do not intend to work the railways, the

mines, or the farms upon any other system, and the point is, can you get substitutes for us among the idle rich ? "

If Labour should take up this position before long it will, from one point of view, be acting in a self-denying manner. There are men among the leaders in the trade unions who could make a better bargain with the Trusts, with the moneyed man, than they will be content to make with the State. The longer-headed among the capitalists know this quite well, but it is not the longer-headed magnate that the ordinary citizen has to fear so much as the red-tape, moneyed ignoramus who follows his lead. Fortunately for us all, Labour has now attained to a will of its own, a pride of its own, and a patience of its own which has been long tried. And, in consequence, it is not the longer-headed moneyed man that will tempt Labour into a conspiracy against the poor, but the conspiracy of money against the poor will determine Labour to work directly in fundamental industries for the State alone.

Labour is patiently endeavouring to persuade the country to become reconciled to the inevitable. And in doing this it has tried to get the constituencies to send representatives to Parliament to put the thing through in an orderly manner. But it cannot be disguised that it is just as difficult now to get the individualist to see the necessity of nationalization as it was to get the members of rotten boroughs to vote for reform. I have spoken of direct action ; we are in the presence of what may prove to be a

great struggle for beneficent results, another struggle against the red tape of tradition. Parliament has up to the present largely endorsed the claims and wishes of capitalism, for Parliament has been capitalism in the seat of power. I do not wish to go back into historical facts—they are too dreadful. But the real origin of red tape as we see it now is due to the fact that when the moneyed man reiterated his cry of "Shall I not do as I will with my own?" Parliament has appointed inspectors to see that he did not go too far. Hence have arisen these multifarious and inadequate interferences, costing a good deal of public money, which have given so-called bureaucracy so bad a name. But it seems fairly cool for those who have caused the need for State interferences to sneer at them as proving the inadequacy of the State. And State control during the war, forsooth, proves nationalization to be bad! We have been as a nation in a case similar to that described by Mr. and Mrs. Hammond when telling the story of the little chimney sweep. "Many masters," they say, "in London took machines *with the object of showing how unsatisfactory they were, and by purposely creating dirt created also a prejudice.*"

Traditional red tape is very hard to get rid of. Why has Parliament been so steadily reluctant to afford to Labour a reasonable scheme of life? Why are not our members elected to do justice to the worker and the poor? The capitalists are few, and yet they often win the elections, sometimes on a straight issue, but more often on a side one.

Bribery is illegal, and yet the success of money is due to its influence upon those whom I have called its sycophants in another place. This influence upon the anti-Labour vote is visible in a thousand forms, but it ultimately comes back to this : " If you leave things to us as capitalists we will get out of Labour a host of articles you need at a very cheap rate, not here at home alone, but the world over. Leave everything to us and to Free Trade, and your little unearned incomes will stretch a much longer way. It is true we keep increasing our own money, and we reduce the land to a sporting level—we cannot multiply acres as we can cash—but remember it is open to any or all of you to bid for positions similar to our own—the old red-tape traditional habits are quite strong yet—if you do not interfere with things as they are."

From the Treasury itself down to the small holder of Consols the fears and the hopes are the same ; Labour will perhaps wax fat and kick, and there is always the betting chance that you may become a moneyed man yourself !

As long as there is a large class of voters which takes such a view of Labour as this, it is hard to appeal for justice with anything but threats. The poor are on the side of Labour simply because the above policy, combined with that hellish one of a surplus of labour cadging for intermittent employment to convenience trade, is continually making people poor in the ranks of the working man. If one were to come into the economic world fresh and green, unused to its ways and ignorant of its red-tape methods, one

would take for granted, surely, that those who might rely upon a decent income whatever happened would be those who did the work Not at all : there are mountains of dreadful history to account for the fact, but a fact it remains, that the hire of the labourer has seldom been a real living wage. But if history teaches us anything it teaches us also this: we have been ever improving, not deteriorating. The story of the golden age is the greatest and most absurd of the fairy tales we have. If man is higher and better than the brutes, if humanity is better than mere animalism, we have been progressing, and we may take it almost as an axiom that what humanity begins to want, and to see its way to, is some better thing, not perhaps in the light of some of our present prepossessions, but better for humanity itself.

There is red tape in tradition as well as everywhere else. And a man may patter off a traditional formula, even though he may be doing injustice to himself. When he was comparing Liberalism with the policy of the Labour Party at Paisley, Mr. Asquith used these words : " The distinctive feature of Liberalism, which it has always preserved in the past, and which, so long as it is a vital, creative, progressive, formative creed, it must preserve in the future, is this, that it looks at the whole and not at one section of the whole." Test this dictum by the policy of land nationalization, which is one of the planks of the Labour platform. There are two broad divisions into which land can be separated, according to the uses to which it can

be put. One is the simple site value for the buildings which we require. The other is the actual value of it for agriculture and mines. It may be tilled, or it may be dug out and its riches abstracted from it. At present the non-ferrous mines are in need of some definite national policy; of course we shall have to wait for such policy until individualism has "queered the pitch." To most of us, when we think of these all-important uses to everyone, it seems that the very word "nationalization" connotes the whole, not one section of the whole. If it can be shown that the policy is not for the benefit of all rather than for that of a class, we ought to change the terms and call the landowner and his class the real Labour Party and the true nationalizers. But think for a moment of our present housing difficulties. If we might build as we desired as a nation, and might dig our lime and sand, quarry our stone and slate, take our iron and smelt it, with the simple object of providing convenient and wholesome dwellings for the people as a whole, how much easier the problem would prove. If we had just to mine our coal with a view to the poor widow's fire, for gas-making and aniline dyes, how much more universal our policy would become. And when we come to agriculture, let us think what the interests of the whole rather than of the part are there. We all need bread and oatmeal, meat and bacon, milk, poultry, eggs and potatoes, and yet the country *as a whole* has nothing to say, now that the war is over, as to the policy of obtaining these things

from the soil, in as great abundance as possible for the sustenance of the People *as a whole*. Mr. Asquith, no doubt, thinks of Free Trade. But what injury can be done to Free Trade if we let that beneficent activity set its own prices for the food it brings, the country as a whole undertaking to sell at the same prices for the same qualities? Is Free Trade to be allowed to everyone, but not to the State itself? Free Trade means cheap food and clothing for the people, if it is honest and not riddled with speculation. But as things are at present, the only method of leaving it free is for us to take all the risk of farming as a State and giving the people food at Free Trade prices. By this means only can we do justice to the whole rather than the part, and Liberalism, acting upon Mr. Asquith's own principle, can help by supporting the Labour Party. Now, while I am writing, good wheat-land is going back to grass. The land is going to be wasted, and the citizens starved, by the terrible weed, pest and disease whose name is red tape.

Of course this fundamental position of usefulness for the whole rather than for the part strikes at the root of many of the arguments that are advanced by those who endeavour to preserve the good name of landlordism and private property in land. I will only say here again, however, that my desire above all things is that the change, if it come, should be an amicable arrangement, and that the present owners should help us, and, indeed, take a leading part, in bringing about a national policy, and thus avoid that bitter clash of interests which must other-

wise soon come to a head. The landowners are selling freely; the dukes even are uttering sorrowful speeches. Why not sell to the State?

To sell to a good farmer may cause him financial embarrassment, and to sell to a speculator or to a bad farmer brings bad farming about. Ownership by the State saves every good farmer's pocket; but, as things are now, money can dispossess the good farmer and instal the bad one in his place.

Nothing but State action such as I urge can adequately deal with the thing called "dumping." A very luminous illustration of this problem is that of the sugar bounties. The bare, red-tape doctrine of Free Trade, acted on by the statesmen of that time, went very near to compassing the destruction of all the sugar-cane industry in which we were interested. Those statesmen seemed to imagine that all their energies should be devoted and confined to persuading France to discontinue bounties. They could imagine no other method, the red-tapists would not allow them to imagine it, of countering the attack upon the sugar-cane, because that imagination never went so far as to conceive of the State acting for itself; it must be either profiteer or bankrupt in those days. To welcome the cheap sugar that France was impoverishing herself to give us, *in order to secure future advantages*, never seemed to enter into the minds of Prime Minister or Chancellor of the Exchequer. Whereas the vast volumes of cane and beet sugar that were available at that time might have made us masters of the manufactured

sugar industries of the whole world ; and we might have devoted the State profit on sugar to the nursing of our agricultural experiments and researches in beet growing, so as to be ready for the time when France became tired.

What we failed to do at that time is one of the most important subjects for present-day investigation. There are many directions in which the State should intervene to prevent speculation and secure necessary supplies. From the very nature of the case the speculator must rob either the grower or the consumer. And there is this important difference between national buying and the cornering of the market either by one buyer or a group. If the latter fail to secure their end, they may lead to serious financial loss and perhaps a crisis. If we, as a state, give too much to our brethren in Canada for their crop, we are at least benefiting the Dominion and helping it to grow bigger crops still. If a profit should accrue here, surely the State as a whole is worthy of it. But we might merely act as agents for our imperial crops, and yet bring about the destruction of speculation which is an unmitigated curse. Of course, without great caution we should only end in making speculation " a sure thing." But all interests—*bonâ fide* interests—in the Empire are interested to destroy the pest. And we can do many other national acts, such as providing a certain amount of transport which would tend to the destruction of the gambler. Do not let anyone think that he will be disposed of easily. The best way will be to employ his talents on our side.

Mr. Asquith made light of Lord Haldane's reference to ideals, and we shall see whose policy is the best. But almost in the same breath he laid down the ideal of working for the whole rather than for a part, and thus answers his own case.

To state an ideal as your own, and then to set to work to prevent its accomplishment requires nerve and ability that are given to few. The difficulty we have here with Mr. Asquith is that he has such a bad case, as lawyers often have, and I suppose that the so-called Liberal one of hanging back is entitled to be stated in the forum for what it may be worth. But think how well Mr. Asquith could state our case if he would do so. He has a bad case, but it is that of a large body of Liberals, and it would be very difficult to leave them in the lurch. The only thing now to do is to bring as many as possible over and let—may I still call it?—Toryism have the rest.

For Toryism must rejoice to know that some of these old Liberals think and say that it cannot matter much to the poor old lady to pay a few pence extra for a reel of cotton, or for a piece of soap. A few pence upon every small thing which millions use is so little in each case; but it suits the capitalists very well, and leaves them money with which, well, one can really work and act! "When all men have what belongs to them, it cannot be much," says the proverb. If you all have so little, really now, what signifies a little less? And then you can put into the lottery of our system and you can all hope for a

prize. Unfortunately, the poor old lady is never a gainer under the doctrine of choice and chance ; it is always " heads I win, tails you lose " with those who undertake to supply her with goods. And all these small sums, all these tiny contributions which she is asked to make to the capitalist fortune, add up to a serious negative quantity. They spell penury and want.

And Mr. Asquith wants Liberals to avoid the error of taking sides with the poor old lady class ; he desires them to keep strictly to the general interest of us all ! The great body of us are millionaire manufacturers and landowners ; why force upon an unwilling Parliament the special case of the cotton and soap of the poor old lady set ? There is an ideal certainly about food and raiment for all ; but we are in the valley, not upon the hills, and the general claims of the rich, not the separate special interests of the poor, must receive attention first ! The logic does not end here. The poor old lady's minimum needs are such, that if she is the special case and the millionaire the general one, she must in her penury be asking something beyond what the millionaire asks. She must be pressing for a class bonus, or bounty, that no one else gets, something beyond the dreams of avarice, cheaper cotton and soap, and perhaps butter and bread. If the old lady is one of a class rather than of the mass, the less includes the greater, and logic, mathematics and truth itself are all a lie. If then we press for the land and its fruits in the general interest, we are doing something which Liberalism, if Mr.

Asquith's definition is correct, should heartily support. If we urge that coal and such deposits should be worked by the people as a whole, we are urging something which Mr. Asquith's followers should support. If we desire a transport system run solely with a view to the general good, the National Liberal Federation should desire it too, if they wish to carry out in practice their leader's words. And if we ask for state public-houses, all but Liberal prohibitionists should back us up. When we come to banks there will be much Liberal searching of heart.

But no doubt I shall be answered that Free Trade will cure all ills, and that we must bear the loss in our home production rather than interfere with the auctioneer's hammer, the banker's fee, and the right of everyone to do as he wills with his own. There is an opinion abroad that individualism is the deadly enemy of red tape, and that if we once begin to employ our own people in a state service—except, of course, those which we already employ in that way, and which must not be taken as precedents —we shall get nothing done. Let me, therefore, look at the red tape which individualism applies to production sometimes.

A large number of well-meaning people are continually reiterating that what we need is more production ; and the salient instance which they give of a lack of production is the getting of coal. Statistics are brought out, and then are made to prove that, unless we turn over a new leaf in respect of our coal output we shall suffer in our output of everything else. Before

the war we acted without thought upon this economic dogma. We dug out our coal, and sold it at a few pence profit ; and we sent it abroad full of its chemical possibilities, and paid those who became our bitterest enemies for the products of it—the list of these runs into pages of foolscap—which we were too lazy to make for ourselves. During the war we made some changes, but now we are asked to return to this earlier method, and we never ask ourselves what the end is to be ; what our policy towards the coming race, towards the little island in which we live. Is our policy to be the throwing away of our coal as fast as we can mine it, and the leaving for our children the debris which results ? The first and simplest use of nationalization of several of our assets would be that we as a people, not merely such as those who gathered round Mr. Justice Sankey, would at least have power to pause in our rush towards ruin, and think.

In our treatment of coal and the land we seem to reverse our general policy. When we get iron and other metals we do at least try to melt them and manufacture them into saleable articles ; and when we are short of raw materials we search through the whole world for cotton and wool, skins, materials of all kinds, even grasses and timber, to turn into something which the world wants, or at least will buy. But because coal is in the hands of the individualist the innumerable varieties of riches which it contains are squandered, and instead of working them out and exporting we send away the crude

product itself for others to use. This is not the "production" of a wise state; but it is the policy of individualist property which ignores the larger view. Compare the number of persons who represent the ownership of these riches first with those who make them available, and then with those who do not own them in the present technical sense, the citizens, and tell me if the policy of nationalization or the policy of Mr. Asquith is the broader or more general one. Which of these policies is, in the real sense, sectional, and which deals with the country as a whole? And when it comes to production, and from the point of view of adequate production in the general interest of the State, I must also ask whether the defiance of the men's desire to become ministers of the State is wise? Remember that all this talk about production has been from the national, not from the owner's, point of view. Is any state wise to condemn a million of its best workers to continue their work in conditions which in their own opinion can be greatly improved? And we must not forget that, if the men say that state conditions would be better, such statement is proof that they will be better. For it is a sense of freedom and self-respect which they desire, with even the same material conditions as at present. Who would compare the status of working for a country like our own, even with all its records of combination laws, with that of labouring for capitalists? We as a people ought to feel complimented, accept the mandate, and bring the change about.

To the real individualist, using every traditional red-tape habit he can think of, all organization is red tape. The word is a mere weapon in the hands of both contending parties. Lord Haldane himself, as all Lord Chancellors are, is a bundle of it. He went to school, I fear, and perhaps took a prize and scholarship; passed some matriculation or little-go, and a few more examinations; ate some dinners and bought a wig before the way to the Woolsack could be cleared. Why should such geniuses as Lord Chancellors be obliged to submit to such red-tape methods as education uses? Why should the Army toe the line and march in step, and the Navy be a prey to bosuns and the like? Why, I may ask, to use a more extreme instance still, when each one is so full of music, should we all be expected to obey the conductor's guidance, and go through an infinite amount of study and repetition to arrive at a thing called harmony, in which no one can hear himself sing because of the rest? And perhaps an Edward Lloyd standing meekly by in the meantime! Why should Wagner be compelled to weave his harmonies purely out of red tape?

Machinery itself has become the sport of red tape—automatic in fact. Not to mention the chocolate-making machine described elsewhere which dispenses with man's intrusion, there are cases where two routines are scrupulously adhered to, a working and a strike routine. When everything seems to be running merrily along towards those reels of cotton and yards of cloth which the world seems to be rotating round, suddenly

a slight thread breaks and the whole work stops until the breakage is repaired. And this individualist thread, supposed to be without power or influence, if it breaks too often, upsets the men themselves who will either have him expelled or higher wages given for the trouble caused. I do not know what disaster the weakest link would bring about if red tape did not intervene to make him as strong as the rest. But the minor weaknesses of individual industries are as nothing to the general chaos which is brought about by each one, as far as he can, doing as he likes with his own. We should have tons of seeds sold which would not grow, and thousands of tons of chemicals which would not part with their virtues. In the separate industries trade unionism has indeed brought about the destruction of a few of the greater evils, and has established some sort of order and decency. But the time is now ripe for bolder developments, and a more complete system. Between the plantation and the old lady's little room there are too many intermediaries for her reel of cotton ; we run a hundred ramshackle carts where a through express is needed ; we shout and hustle and deafen in order to overcharge her when she asks for a cake of soap.

It would be a curious happening if we were compelled to re-enact laws and rules which we were supposed to have outgrown. I have referred to the steady progress that humanity has made, although little human weaknesses are seldom killed by law ; they have to be treated by new methods as they peep out in ever new

forms. The *regrater* of earlier days is but the profiteer and speculator of this and every day, and if we could kill him by law we should be laying out greed itself. But, unfortunately, through the praise of money, the trade of *regrater* has to a large extent become a regularized one. If you have money and are prepared to risk it, you can earn a living by just buying at the right time, and then selling at the right time too. It is true that labour such as ploughing and mining is not done, but commodities are obtained and moved about the world to the advantage of us all. We must not suppose, however, that the speculator is the originator of the world movements. The pioneer belongs to quite another order of men. But, the movement having begun, red tape appears, and, curiously enough, exhibits that common failing—a desire for more. The agent or broker comes on the scene, and it soon occurs to him that a commission in good red gold is just as good upon commodities which do not exist as the same gold upon the real thing. So thereupon the betting man or speculator appears, and the making up of good-sized betting books appears too. We shall find that, when the battle begins the most furious fights will occur in the places where the speculator and his agent lie entrenched. When a war comes and there is no risk whatever in buying and adding profit to profit, surely that is the Kaiser's fault, not the speculator's ! But in spite of excuses the evil must be fought ; it has not a vestige of justification ; for, if it is merely a question of supplying money, that can be done in a regular

way. It injures the cause of true commercial activity, and sometimes actually paralyses it. The student of the world markets who endeavours to carry on the machinery of trade on honest and careful lines may be ruined at any moment by those who gamble in his own commodities. To punish the *regrater* does not re-establish the honest market, and punishment is, at this period of the world's history, impossible to carry out. Society must act for itself rather, even if it should have to use a little more of its best organization, called by the mocking enemy red tape.

I have said that if we undertake certain services for ourselves as a state, those services must be made into scientific concerns. I have urged that such undertakings must be positive acts to produce good things, not efforts to prevent waste or the production of bad ones. Not only shall we have to use every device we can get hold of to save loss of life and injury to health ; to work coal seams, for instance, in the most economical way because there is no reason to regard whose property it is, seeing that no one will own coal except the State ; not only shall we carry our solicitude for our miners and their families into their homes and surroundings ; but we shall study each ounce of coal and see what is its best use, and we shall, above all things, bring waste to an end, because in such a product there is no such thing, essentially, as waste. We have to turn coal into gas in such a way that nothing is lost, and have therefore to carry our red-tape explorations to the very

burners themselves, where there is yet much to be learnt and applied. We have to turn gas into electricity, and shall conceivably before long export, not cargoes of raw coal, but little packages of power, light and heat, of fabulous strength for their bulk. Then we have to bring all dyers to us for colours, all cooks to us for flavours, all soap-boilers and kindred manufacturers to us for scents. And in some of these operations the odds against the individualist and free trader are so great that their prices will leave us a great profit for the State. Lastly, to save wearying the reader with a long list, we may drive our motors by its spirits, and grow our crops by its fertilizers.

The battle that is upon us is one in which things much more serious and deep than red tape are concerned. If bureaucracy and red tape only were in question, there is essentially more of this in capitalist circles waging war upon labour than there ever can be in State undertakings, which are there for all of us to see. The war is first upon dishonesty, which cannot be avoided where the individualist, like a wild beast, is out to prey upon his competitors and the public at large. If the good things are in the hands of the individualist, and there are no bad ones there, why these raging, tearing propaganda against each other? The fight is next upon ignorance and the love of it, for it is ignorance that swells the red-tape staff, and it is imagined or pretended that where numbers are there is knowledge and efficiency. But next to dishonesty and ignorance the battle will be waged against the betting man of every kind. Capital is largely

occupied with making up its book, and the poor are taught through envy that a little flutter may remove some of the drab aspects of life. Our people are honeycombed with the gambling spirit, and betting upon everything has become the order of the day. When the income-tax has removed some of the fruits of chance, and social legislation has improved the outlook of the poor, the betting craze will be moderated to the general good. At present the moneyed man is often a mere bookmaker trying to galvanize poverty into a dream of wealth.

One of the problems, however, in England is to abolish the evil thing which is called by the name of red tape, and to substitute some better word, such as efficiency or organization, where a definite routine is imperative. Education, general and technical, must be genuine and complete. Red tape is a necessary accompaniment of the struggle of class, individualism and private interest to keep those things which essentially belong to the State. There will be no need for red tape when the State itself, having recovered possession of national property, works it and conducts it in the interest of us all. Wonders of organized production may emerge from the training which Lord Haldane prescribes ; and bureaucracy, habit and unreasoning tradition may ultimately give way before a general state system. We have to set before ourselves the creation of a method which abolishes the injustice of our present class contests. The State itself must be master of its own assets in the common interest, in order to bring about,

more and more each year, the uniform establishment of the general good. But, in view of the highly elaborated system of our modern civilization, we must observe the rule of caution and gradual development, so that our object may be attained at last without undue friction and bitterness. State management in the obvious directions enumerated above will greatly assist individual effort everywhere. I need not discuss other activities which may present themselves for similar treatment ; we have enough with them for some time to come to employ all our energies, for they involve a task of no mean difficulty. And yet, though these services are gigantic, they only represent a part of what Labour has set itself to accomplish ! Almost every political question will be stirred up when the spirit of Labour permeates the whole administration, when the doctrine of service begins to be applied all round. I have already been venturesome enough, but before concluding will glance at some of the political and practical questions involved in nationalization.

It has always seemed to me that banking should be the first to be turned into a national institution, because it is the easiest to arrange, and one which lies at the base of all the rest. We might readily find out in the city a few of those personalities who have been concerned in our recent multitudinous amalgamations, and just ask them to complete their task and make one national agency of the few—the big five and the rest—which are left. Neither will it take long to decide upon the fair price to be paid, or upon the

individual to place at the head of our new state bank. There is no reason why banking should not go on exactly as at present until time has been given to carry through the needful details ; these ought not to affect a single customer. Time will certainly be required to rearrange the branches, closing those which are simply competitive, and opening new ones where required under a better system.

The insurance companies can be dealt with at even more leisure, in order that the actuaries may prepare new and beneficent schemes.

The railways could be nationalized at any time to the great benefit of the shareholders, who would be extracted from a tight place by the operation ; the State will have to intervene one way or the other, and but for the devices of the moneyed man they would long ago have been suppliants for State purchase. Upon the finishing of railway nationalization the inns of the country would naturally fall into State hands, and become a comfort to the people instead of a snare.

The mines present no very difficult problem to the State ; but they do present a very difficult one to the individualist, for he will have to conduct his operations in the future in the teeth of the miner and under ever-increasing interference from the State. The Labour Party will probably have to arrange, not so much an Act of Parliament against the owners, as an option from them.

The land presents problems which would make the brain dizzy if our income-tax and rating organizations were not already in a state of great efficiency. We are sure to be beaten in

many directions by the moneyed man, but we must endeavour to be just and even generous in our terms, although we may be over-reached in some cases. Purchase in itself is of little moment —we are not seeking to snatch profits that now go elsewhere. What we want to secure is that after-advantage in our housing, transport and agricultural labours. We want to do well what individualism cannot do at all from the nature of the case.

In agriculture we are in the presence of a new kind of effort, a type of administrative activity which represents Labour ideals much more completely than any other. It will be like a gigantic joint-stock company in the matter of book-keeping, for nothing will be overlooked. It will be a vast co-operative society, in order that in purchases and sales the best terms may be given to big and little alike. It will be scientific in every acre ploughed, sown and reaped; in every item of stock bred; in each commodity passed to the consumer. And yet variety will be secured by county rivalries, and by the careful treatment of the innumerable differences of soil and position. It is, or will be, interesting to the philosopher to observe how the most complete variety will be secured by the establishment of the resolute growth of one crop—wheat; the single purpose of the wheat rotations will render more easy the endless changes in the other crops in all the districts in the shires.

Now, it is of no use to pretend that an effort such as Labour desires to make can be brought to a successful end by the use of our present

political tools. William the Conqueror might have attempted such a programme; the Edwards conceivably might have done the same; and Elizabeth or her father might have given the thing a start if the conditions in those days had been seen to require it. We have at the present day to set about the work in an altogether different manner. We need more than ever our old Parliament, but we must ask it to devolve the actual work upon less historic and august bodies.

I may, therefore, perhaps be pardoned if I glance at Parliament for a moment, for if it should appear that this matter is beyond its power we are indeed in a sad state. But as an Englishman I give the lie to anyone who tells me that Parliament is incapable of anything which may be needed of it. Its history contradicts the idea as long as the Englishman himself remains worthy of his past.

But what do I mean by Englishman? The man who has influenced the Irish question most for good is an Africander; the Viceroy of India, a good and worthy man, is a Jew; we have Americans, Germans, Poles, much more English and imperial than I am myself, numbered among our lords and gentlemen; we have our landed aristocrats making use of a Welshman to secure their ends—or, of course, he may be doing the same thing with them—and allowing him almost to swamp them by his creations; till one scarcely knows where the Englishman is, and a remarkable paradox appears. Parliament is safe as long as we have Englishmen; the

Englishman is safe as long as he has his Parliament!

The British Empire is so large and contains so great a diversity of subjects that it does not seem unreasonable that the Imperial Parliament should contain representatives of these diverse races. We have not proceeded far in this direction. We have preferred to grant self-government to our Colonies and leave them to arrange their own systems of voting. Ireland apart, which has been granted an unpalatable kind of Home Rule, the ridiculous has happened, and the island of Great Britain is the only part of the English-speaking Empire which has not been given Home Rule. The consequence is that certain laws may be passed under great pressure and in undue haste, but administration in the Home Rule sense is impossible. The imperialist has little enough time to attend to the Empire's needs; the home ruler has none.

Now I venture to urge that it is of the utmost importance that Egypt and Mesopotamia should not obstruct, still less should they be kept before us in order to obstruct, the adequate administration of Great Britain. My little chapters deal with no subject outside the home island, but they tell of gigantic needs that are being ignored. And the chief reason, or excuse, for this passing by of the needs of the home citizen is the extraordinary claim of imperial business. It looks sometimes to the impatient observer as if the founding of families, and the bringing up of proconsuls, were a type of breeding to which the island was given up, and that Parliament

would not have this interfered with. I will not waste words upon such a thesis, but will simply point out that if we are to be a race whose influence is to be felt for good, not only in the Empire but throughout the world, it is of importance that we should look, not to the Jew, the Greek, the Pole, nor even to our own people in distant lands, but to ourselves, and that we should try to make it possible that from any home taken at random a proconsul might issue to carry our message to the world. To breed a proconsul, or found a family, out of the slavery or serfdom of our people is the negation of the English ideal. Such a negative ideal would have no chance here at all against the English working man if it were not for a class to which I have before referred, but which I loathe too much to be silent on here, that class of snobs and sycophants which toadies to the founder of families and the people in possession, in order that it may obtain at every census if possible, not more Englishmen, but more slaves. We beat Germany to all appearance, but this class tries to twist the victory into one against the working man.

Parliament itself is the only cure for its own decrepitude. We must concentrate upon our home needs in such a way that we demand from Parliament attention to them in whatever form it may deem best. It can depute the whole series of our needs to a Home Rule Parliament, or it can take the subjects separately and institute great national undertakings, of the same type as our local government ventures, and then

leave them, as local government is left, to work the problems out. It is intolerable that Parliament should be flouted ; it is unbearable that it should be brought into contempt by the mere wiles of the party man. A great leader even now would not be content with less than a complete purge, more drastic than Pride's, of the moneyed man from all our arrangements in the getting together of our sacred Parliaments. I am not sure that a really great man, laying the case as at present before our High Court of Parliament, could not prove it to be treachery to the State, and a contempt of Parliament, to accumulate and use for party purposes wealth of any concrete kind, and carry his point to a prohibitory resolution. For we are discovering a disability now in our electoral movements which Parliament has never countenanced. I contend that, if Parliament decides upon certain money restrictions in connexion with candidates, the money guarantee and influence should be confined to that, and that it is flouting Parliament itself to use cash in an election in any form or shape to gain a party advantage. I claim that it is to the good of the State that the best men, independent of money, should be brought into our national council, and that to " represent " the great mass of relatively poor working men by a multitude of rich councillors is a mistake. I admit that the kings chose the best men they could see for their purpose ; that the barons resisted in certain crises, and that their best men brought about improvements ; that the commoners of note made their influence

felt when the affairs of the country needed strong and resolute men. But I do not admit that at any stage in our history we allowed the reins of government to pass into the hands of the moneyed man; and I contend that we must stop the usurpation now without a moment's delay. The rule of money is an insult to every ideal we have, and by its means what has hitherto been known as the liberty of the Press has been prostituted to party ends. If we search for the best men we find them in all classes, and our so-called ruling classes stand to lose with the rest of us from the insolence of money. Labour, therefore, should appeal to the best men among them for help in elaborating a citizen's programme in the coming years. Education of all kinds must be its foundation, and universal or equal benefits its corner-stone. Money as money must take its place, on a lower scale indeed, but as one of the same type, with wheat and coal and iron.

The philosopher will here smile and tell me that money is already in this class, and that I overlook the fact that wheat, the landed gentry, and coal, the owners whom we met so recently, and iron, the great industrial magnates, are only money in another name. I will, therefore, leave the philosopher to put the facts I am trying to urge into a better form.

But the question is, whether Parliament should give us Home Rule or be persuaded to nationalize the services of which I have been writing directly and under its own eye. To me the answer can only be given when another

question has been answered by Parliament itself. What the citizen feels is that at present Parliament is stultified by the mere quantity of detail which has come upon it, and that it is now imperative to devolve some of these details upon minor bodies. The thing has grown so urgent that it appears to be only a question now as to the kind of devolution required, whether Home Rule in general, or *ad hoc* administrations. Without pretending that my reasons are final, or that I should not welcome the pronouncement of our leaders in all parties upon the problem, I venture to state a few points in favour of what I have called *ad hoc* administrations.

In the first place we have our county and municipal governments, and it would be perhaps better to strengthen these in the direction of self-government than merely transfer them to a new Home Rule Parliament. Mr. Cole makes out a good case for the " region " where several small towns exist : I am not attempting to interfere with any such improvements. But, secondly, the nationalized services should have nothing intervening between them and the mother of Parliaments, because they ought to be controlled purely with a view to national and imperial well-being without what I may call parochial interference. The chiefs of such nationalized undertakings should be, I think, in the nature of permanent viceroys, outside party, concerned each with getting the greatest benefit out of every acre of land, every ton of coal, and every mile of permanent-way, as the case may be. Thirdly, if such administrations could be

instituted it might enable us to remove from Parliament some of the anomalies of our present system, where a member of a government equally ignorant in all departments is transferred from one to the other for the Prime Minister's convenience without the least regard to the interest of the State. Interference with, or Parliamentary communications to, our great national undertakings should be in the nature of direct Parliamentary votes or Cabinet Minutes. The daily interference by some raw minister should be avoided as far as possible.

I have said this because of Lord Haldane's evidence before the Coal Commission. In reply to Sir Arthur Duckham's question (25,603): "Do you consider the Council must appreciate that the final responsibility lies with the Minister?" he said, "Absolutely." And later this passage occurred:

"25,624. MR. EVAN WILLIAMS: I gather you attach supreme importance to the proper choice of the Minister of Mines. Is there any possibility of securing that the choice should be made in the wisest possible manner at all times?—There you ask me a question which opens up a field of dubiety. I should hope it would be so, and it ought to be so, and it is most important that when the Minister of Mines is chosen he should be the most highly qualified man possessing all the various qualities that can be discovered.

"25,625. In the absence of certainty that you get the right man and the right administration,

is it wise to risk an experiment of so vast a nature?—You have always to do that. At every general election every Prime Minister is making terrible experiments, and you cannot avoid it.

"25,626. I think you would agree that an experiment which proved a failure in the production of coal in this country would be far more disastrous than the failure of a Government?—That may be so, but I am not expressing a view about it. Heaven forbid I should! It may be you are up against a complete change which is coming about in the mind of the world since the war, and which will make it necessary for you to take some steps in the interests of your own lives. I do not know whether it is so or not; but things have changed, and when things change we must, like Englishmen, face the situation.

"25,627. Do you think it would be wise to risk an experiment without making sure we have the right legislative staff?—You must make the choice; I am not expressing an opinion.

"25,628. Mr. R. W. COOPER: Would the Minister of Mines of necessity be a party political appointment?—I understand what you mean. It must be. By the law of this country the King can do no wrong, and the reason is because he is advised by a Minister responsible to Parliament—that is to say, responsible to the nation. And the Minister of Mines therefore must be selected by the Prime Minister in the name of the King as the Minister who is to give advice on which the sovereign is to act."

I think we must face the situation in a sense different from Lord Haldane's view. If we get coal, for instance, nationalized, it must be allowed to run, after Parliament has established the system, without any interference from a Minister of Mines: the only interference which the country will allow will be that of Parliament itself as a whole upon some great question of policy. The chiefs should be as safe from interference with their administration as the judges are: their position should be both as dignified and as secure. Changes desired by Parliament can be conveyed to them, in a simpler method of course, but essentially in the same manner as in the law. If we institute such chiefs in such responsible positions, it seems to me in my simplicity that they should derive from Parliament itself, not from any home rule or local authority. But is it likely that we shall secure from among the orators and lawyers of our usual ministries even one expert in the various types we shall require—a great financier, a big-souled railway man, a chemist able to deal with the mysteries of coal as well as the practical questions of its working? If we got them we should have to supply all parties with them, and then be risking the lack of some ordinary common sense in the rough and tumble problems of Parliamentary life. Any Parliamentary party position in this matter, I feel sure, should be made analogous to that of the Attorney or Solicitor-General in the House of Commons *régime*. And what would happen when the shuffling of portfolios began?

At the same time it cannot be denied that the present *impasse* obliges us all to consider with the deepest anxiety the proposal of Mr. and Mrs. Webb for two Parliaments equal in authority. The study might lead to some proposal which would enable the country to get through its business, even if absolute equality had to be given up. I am not a casuist, but it would be comparatively easy to suggest situations where a difference of opinion would supervene and no way out appear but civil war. And before reaching that climax I fear that it would pass the wit of man to draw up a constitution which involved equal Parliaments. How, then, are we to develop our nationalized undertakings and yet relieve Parliament of the burden of them? We cannot afford to delay them until we have matured our guilds and educational activities; especially as devolution itself would be one means of developing the guild idea. Can they be given self-developing powers, or shall we be shut up to some type of Home Rule? I believe that we shall best fulfil the historic function of Parliament, not by dissociating our social explorations from it, but by demanding from its High Court permission to proceed. Do not let us forget that it is the business and privilege of Parliament to be coerced by its sons. Parliament, if it is to live at all, must be in the thick of all our needs, and it is for it to devise, after hearing these various sons, means for satisfying their aspirations. Those who are being treated with injustice, those who are being despised, those who are being over-ridden by the mere

power of money, must send in their petitions and demands, as well as their members, and insist upon their being met. The Labour Party wants no more than equal justice. Let it take no roundabout way of obtaining this, but go straight to the point. The fact of the recent coalition is in my humble opinion an offence against the traditions of Parliament, and against its essential quality as the Mother of its People. By no stretch of the imagination can coalition pleaders, even when helped in this matter by Mr. Asquith, contend that the programme of the Labour Party is subversive of the best interests of the citizens as a whole. But the Labour Party can contend with truth that the packing of Parliament against a certain section of the citizens, the use of money against them, and the employment of such terms as Bolshevism, are acts contrary to the best interests of Parliament as the Supreme Council of the Empire. I would urge that no change should be made, even to relieve Parliament, until we have re-established it as the great court of the People, accessible to the petitions of the humblest at all times. If we are to meet all the calls which may be made upon us as a State, we must at all hazards secure to Parliament the respect and the affection of the citizens. To treat our great bulwark of freedom as a decrepit invalid is treason to it: we must make it again our safeguard, and ask it to take such measures as it may deem necessary to meet both national and imperial demands. I question if much more is needed at the present juncture than the relegation to oblivion of the

insufferable pretensions and impertinences of the moneyed man.

For it surely cannot be questioned that the time of Parliament was not beneficially employed in dealing with a railway strike or a lock-out of colliers, when we had so many and such important imperial problems to solve. Remember that the idea of legislating in order to carry out the Sankey Award and end the coal dispute was ruled out, and the vapouring about " direct action " was in full blast. There are two very urgent reasons against the dragging in of Parliament as administrator to settle the moneyed man's disputes for him, one of which I have already referred to. The first is that it involves direct action on the part of the owners to keep what they have got—direct action not allowed to the men ; the second, of much greater importance, is that it causes all our elections to be fought upon trivial, momentary, outside issues, if not upon actually trumped-up and false ones. If the moneyed man cannot manage either railway or mine to the benefit of the citizens he should resign them to the State. When the Mutiny occurred we took over India ; we did not compel our people to work for John Company. We should either let things alone, where the dispute is such as the recent coal difference, or take over the whole thing. To side with one party is unfair ; and we have not time for such ventures. The trouble is only postponed. It would have been a splendid warning to all financiers if Parliament had said : " Where useful national work is being done, and you cannot

agree with your own people, we will take over the whole thing if requested by Labour to do so." The "once for all" proviso is essential, and would be a sufficient warning to all concerned. No competition allowed when once in state hands; the race with Free Trade is enough. When Parliament reaches this solution of many of its dilemmas, the hour of the guild will have arrived.

I have thus suggested two things in order to relieve the unbearable strain which now interferes with the beneficial working of our great Parliamentary institution—general Home Rule and the nationalized activities which are the causes of my writing at all. Are these suggestions contradictory in practice? I should not have made them if I had considered them to be so. Am I not right in stating that the great services in actual practice absorb little of the time of Parliament, though we do not dream of employing local government methods in their case, we do not place county against county in the details of administration, but only in the rivalry for distinction in service? The nationalized services which I have been considering, while using, I hope, every instinct of local patriotism, will be national in all their bearings, and will only be carried to success by nationality as a whole. The few services for which I have been pleading —inclusive, I hope, of valuable guild experiments—may be added to in time: Parliament will decide upon that after testing the work and weighing the advantages. I have urged that the real principle of Free Trade will be helped

by this social and economic change. But my point is now that Home Rule in its ordinary administrative sense will not be injured by national services any more than it would be by the carrying on of the Navy and Army themselves. If that be so, I am not called upon to criticize the details either of Mr. and Mrs. Webb's Economic Home Rule or the Regional Suggestions of Mr. Cole ; as long, of course, as they leave my type of service out. Anything which they can establish as an administrative relief of Parliamentary burdens will be of great service to us all as citizens.

I will imagine that time to have come, and that Parliament has become more free from detail and able to watch with beneficence the whole homeland at work, while keeping also a shrewd and wary eye out to sea. We need then, perhaps, a rather keener scrutiny than we give at present to the results of the working of the law, and might perhaps employ with great advantage a keen and wise committee to watch, not only the extreme cases which reach the House of Lords, but the whole administration. The summary cases should be observed as well as the assize and other courts. It may be imagination, but there is to me an air of more common sense and equity about the Master of the Rolls and his Court than the House of Lords ; if this is so the law itself must be to blame, and there is need for the scrutiny in the People's interest which I suggest. The final judgment must decide the meaning of the law, and whether it is right or wrong the pronouncement is final. But it thus

comes to pass that a judgment that a certain reading of the law is right may prove that such a law is wrong and must be altered ; but we need a convenient voice or voices to utter the unpalatable truth. Is Parliament doing all that it can as our great safeguard in such cases ? Have we gone back a little in equity ? Have we sometimes lost the citizens' right in the legal quibble ? Has the victory of the majority of legal minds been gained sometimes upon a legal point instead of upon justice itself ?

Again, is our High Court to avail much longer for the Commonwealths and the Dominions of the Empire ? Can they afford to come so far and to defer entirely to London ? But if we make practical arrangements for Dominion and Commonwealth Supreme Courts, shall we not then have all the stronger reason for an imperial council to co-ordinate, as far as possible in the general interest, the findings of these courts, and confer with our scattered peoples towards the best ends ?

Parliament of late years has been overwhelmed, and in consequence has become to some extent a prey to those who prefer mouldiness to life. If Parliament could be paralysed by overwork, there are some who would rejoice. Parliament should be England—I am only speaking as an Englishman on this point—listening to her children's needs and desires ; and yet the very people who expect us to send our citizens to uphold our good name in distant parts of the globe are the same who will not cut off the details of a parish from her cares, or leave her at peace to

consider the big questions of the hour. If Englishmen can be persuaded, or can persuade themselves, that they can do better under some new system than under our old Parliament, they are not what I take them for. The fact that they have let her become distracted by these moneyed men proves, not that it is Parliament which has failed, but that some of her children have forgotten their old faith.

Printed in Great Britain by Hazell, Watson & Viney, Ld., London and Aylesbury.

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Labour and the moneyed man